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# CONTENTS

| Sr.<br>No. | TITLE & NAME OF THE AUTHOR (S)  | Page<br>No. |
|------------|---|-------------|
| 1.         | A STUDY ON MARKETING STRATEGY OF NANDINI MILK WITH SPECIAL REFERENCE TO TUMKUR MILK UNION LIMITED<br><br><i>C. T. CHANDRAPPA</i>  | 1           |
| 2.         | INFLUENCE OF FACTORS, BENEFITS AND BARRIERS OF OUTSOURCING: AN EXPLORATORY STUDY OF INDIAN BANKS<br><br><i>POONAM RAUTELA, Dr. MADHULIKA P. SARKAR &amp; Dr. REKHA GOEL</i> | 5           |
| 3.         | SECTORAL IMPACT OF COVID-19 PANDEMIC ON INDIAN AUTOMOBILE AND HEALTHCARE SECTOR<br><br><i>DHANUSH.L &amp; RAMESH CHANDRA BABU</i>   | 15          |
| 4.         | A COMPARATIVE STUDY ON THE WORK LIFE BALANCE OF WOMEN EMPLOYEES AMONG THE HEALTH AND IT SECTOR<br><br><i>SERIN SAJAN, RENCY JOSEPH &amp; NEETHA FRANCIS</i>                 | 24          |
| 5.         | STUDY ON IPO REVIEW AND COMPANY PERFORMANCE: EVIDENCE FROM INDIA<br><br><i>RASHI MISHRA &amp; Dr. ANURADHA R</i>  | 27          |
|            | <b>REQUEST FOR FEEDBACK &amp; DISCLAIMER</b>  | <b>31</b>   |

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## INFLUENCE OF FACTORS, BENEFITS AND BARRIERS OF OUTSOURCING: AN EXPLORATORY STUDY OF INDIAN BANKS

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### ABSTRACT

*This research paper is a comparative study of the factors, benefits and barriers affecting Indian banks' outsourcing decisions. Exploratory factor analysis was done using employees' perception to identify the perceived factors, perceived benefits, perceived barriers of outsourcing decisions, and a comparison between the public and private banks that have been done by using an independent sample t-test. Responses of 200 bank employees were collected, working as senior managers, branch managers in public and private banks in the National capital region of India. The study found that there was no significant difference in the perception of bank employees of public and private banks for better use of resources, capitalization on technological advancements, and cost-effectiveness, except for the strategic competitive advantage and better customer service. The study also found that there exists a significant difference in the perception of bank employees for reputational benefits of outsourcing. No significant difference was found in the perception of employees for competitiveness, profitability, and other benefits of outsourcing in public and private banks. Further, it was found that trust barriers and control barriers have a significant difference in the perception of employees of public and private banks in India.*

### KEYWORDS

outsourcing in banks, benefits of outsourcing, factors for outsourcing, barriers in outsourcing.

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### INTRODUCTION

**D**o, what you can do the best, Outsource the rest"

*Peter F. Drucker*

Outsourcing is a common practice adopted by various business firms to gain and maintain competitive advantages (Hanafizadeh & Zare Ravasan, 2018b). Outsourcing is a famous phenomenon among banks, where the activities which were usually performed by the bank itself are served by third-party vendors on a continuous basis in consideration of remuneration. (Gulla & Gupta, 2011a) These vendors work for the corporations for an agreed period of the contract, they might provide various business functions at cheaper rates. Outsourcing is considered as a strategic decision tool by the banks to remain competitive and to provide benchmark services. (Jain & Natarajan, 2011) Outsourcing decision has been affected by many factors like cost-saving, focus on core jobs, taking benefits of expert services (Gewald & Dibbern, 2009). In the developed countries like UK, USA, Germany, adoption of innovation, technological advancements, benchmark performance, excellent customer service, are the leading reasons for outsourcing. (Hanafizadeh & Zare Ravasan, 2018b). The present study is an attempt to explore the reasons for outsourcing in Indian banks. Further, it is aimed to identify the perceived benefits and barriers of outsourcing in banks. The study is also aimed to compare the Perceived factors, perceived benefits, and perceived barriers of outsourcing, amongst public sector banks and private banks.

"In India, the Reserve Bank of India (RBI) has issued guidelines in 2005 for the banks, which have outsourced or intending to outsource some of their functions to the third-party service providers, to allow sound and sensitive risk management practices for successful monitoring, due diligence, and risk management resulting from outsourcing activities. Banks have to make well-defined roles and responsibilities framework for the tasks to be outsourced, service provider selection, terms and conditions of the outsourcing and monitoring process, etc." (Pratihari and Uzma, 2019). Further, some clauses permit the Reserve Bank of India to access the book documents stored and processed by the service provider within a reasonable period. (Sengupta and Vardhan, 2017).

The concept to outsource business activities is nothing new to India, but it dates back to about 1990 when the country saw outsourcing emergence as a corporate decision. According to Aggarwal et.al. 2016, "the globalization brought in the non-regulated and large-scale adoption of technology, new generation private sector banks emerged after liberalization in the world of Indian banking due to which public sector banks in India (at that time using the same old conventional way of business) were exposed to high degree competition and challenges" (Agrawal et al., 2016a).

These new banks were armed with tools like Information and Communication Technology (ICT). It gave rise to a competitive tension between two sectors; public banks had to come with a solution, to overcome this challenge. Public banks in India felt a need for outsourcing which would solve their issue over technology adoption as well as cost reduction. Banks had to enter the outsourcing trend to enhance their competitiveness so that they can survive during the time of changing regulatory environment, rapid technological advancements, horizontal integration, and increased competition, by increasing their abilities to adjust quickly to the altering environment and to achieve higher ROA (Return on Assets). The adoption of outsourcing by banks offers benefits to banking sectors and the nation as a whole. The range of services that banks offer today is a lot more diversified than a few years back, due to the increasing knowledge of the customers. As of now, both types of banks are performing outsourcing, but the nature of activities outsourced by the public banks is non-core services, whereas the private banks are taking much more risk by outsourcing their partly core or knowledge-based and intellectual activities. (Hanafizadeh & Zare Ravasan, 2018a)

**REVIEW OF LITERATURE**

Creating value initially from outsourcing was a critical challenge in Indian banks. (Gulla & Gupta, 2011b) Building Large scale multi-city operations, partnerships provide an opportunity to amplify functions. Simultaneously, factors like maintaining quality and developing advisory potentials were remained essential for outsourcing vendors focusing to provide services to the banking industry. (Mohapatra et al., 2015)

There is some typical kind of outsourcing like IT outsourcing (ITO), which involves giving responsibility to an external service provider for managing specific applications for banks in India (Wolverton et al., 2020) The most common functions which are to be outsourced are network administration, Server management, availing isolated cloud centers, providing infrastructure solutions and software development and ITO. (Mohapatra et al., 2015) Such functions save banks time and money as well while providing flexibility when it comes to top data storage, product offerings, and speed of service. (Al Kurdi et al., 2020)

Business process outsourcing (BPO) is another common type of outsourcing. This is a strategic methodology to give a rest to inefficient internal operation functioning and instead of handing over entire business activities like digitizing, accounting, finance, recruitment, or customer service to a third party to manage (Singh and associates, 2020). Business process outsourcing offers efficiency to business functions and adds value to the business regarding gaining operational efficiency and cost reduction and is independent of economic cycles. (Ravi et al., 2011)

Outsourcing the CSR activities, Knowledge process outsourcing, are the new areas of outsourcing in addition to the traditional like IT/IS, BPO, HR, and marketing outsourcing. (Pratihari and Uzma, 2019).

**REASONS FOR OUTSOURCING BY INDIAN BANKS**

When banks first started paying attention to outsource non-strategic functions, such as IT maintenance, payroll, facilities management, and logistics, they aimed at cost-cutting. (Gulla & Gupta, 2011b) However, there is a comprehensive set of reasons why these banks regularly contemplate outsourcing core practices like enhancing operational performance; Engaging resources into useful and productive activities such as application re-engineering by saving the resources (Elhoushy et al., 2020), which in turn enables a firm to focus on time-critical projects; Reducing overheads and operating costs; freeing up human resources and training prices; (Ravasan, n.d.) Avoiding expenditure in terms of capital; Improving speed, service, and efficiency. (Ravi et al., 2011) Advancements in technology, a higher level of functional experience of service providers have led the banks to outsource their functions to third-party service providers (Singh and associates, 2020).

**Benefits of Outsourcing**

Indian banks are outsourcing for several years now and having the benefits of outsourcing as the third-party service providers are prevailing the services at much cheaper rates than the other countries due to the availability of skilled labour (Suryanarayan, 2011). "Countries like the USA outsource and offshore their business operations to the developing countries like India and China. In the USA a skilled developer would cost them 50\$ per hour or even more, whereas in India it is as cheap as 15\$ per hour. This difference promotes vertical expansion and domestic outsourcing in India and makes it one of the leading destinations for outsourcing in the service and manufacturing sector as well (Raushan and Khan, 2017). Banks have different benefits due to the outsourcing of different activities to different external service providers. (Elhoushy et al., 2020) Financial and costs benefits are often put forward as the reasons why organizations decide to outsource. Emerging patterns and trends indicate that today's outsourcing decisions are often motivated by factors other than cost (Singh and associates, 2020). When services or activities are outsourced, they are now executed by external experts, agencies. The external agencies take responsibility for executing the outsourced activity and perform to their best in the expectation of repeated orders. Organizations involved in outsourcing decisions need to be aware that certain resulting benefits from outsourcing may be short-lived given the rapid technology change. (al Kurdi et al., 2020) It might therefore be reasonable to outsource certain non-key functions while retaining the expertise to develop strategic information architecture and a suite of strategic systems that are capable of delivering competitive advantage. However, careful consideration of the implications resulting from the long-term loss of expertise and a periodic re-visit of the sophisticated notion of core competencies/business needs should be factored into the strategic and tactical planning. (Singh and associates, 2020).

**Barriers of Outsourcing**

Outsourcing has proved beneficial for the businesses considering the factors like usage of advancements in technology, experts performing the function, saving time and effort of banks inhouse employees, (Gewald & Dibbern, 2009) but it brings some risks and problems like the security of consumers personal data which is used by the service provider to execute the outsourced function, the level of integrity of service providers employees in maintaining the confidentiality of the shared data, secret bank information, assets, and other valuable resources. (Hanafizadeh & Zare Ravasan, 2018a) (Zhang et al., 2018); for a long time, Commercial banks in India are outsourcing different activities to different external firms due to different reasons and banks has experienced positive significant changes in their performance, yet the banks are facing problems and different types of barriers. (Cabral et al., 2014) The banks have to face problems like sub-standard delivery of services, non-timely performance, lack of coordination in bank and service providers employees, hidden costs, the difference in expected and actual performance, after outsourcing and during outsourcing even after having properly designed risk mitigation programs, performing due diligence while selecting service providers following the RBI guidelines in this regard. (Wolverton et al., 2020) Most of the literature is found fundamentally supporting the outsourcing decisions, (Dubey & Gupta, 2016) but several possible problems and concerns were not given much focus.

**NEED AND IMPORTANCE OF THE STUDY**

One of the major reasons behind conducting the present study is to understand the perception of employees of the banks regarding outsourcing. This research study is needed to understand the perception of bank employees who have to work with the employees of service providers. The success and failure of an outsourcing decision also lies in the cooperation of bank employees with the outsider's employees working in their premises and using their own resources, sharing the credibility of performance of a work and leaving the consequences of non-performance on the shoulders of bank employees. Present study is of utmost need to understand whether outsourcing helps in improving bank employee's productivity, helps them to focus on the areas of core competencies or just leave them in the fears of losing their own job and position in the bank.

**STATEMENT OF THE PROBLEM**

In the Indian banking sector, public sector and private sector banks have differences in ownership, management and control, and have difference methods of administration. Though both types of banks are following the outsourcing guidelines of Reserve bank of India, yet in the earlier studies it was found that the two set of banks have different approaches for outsourcing. The present study is of utmost importance to identify the differences in outsourcing practices of the public sector and private sector banks of India in present context.

**OBJECTIVES OF THE STUDY**

1. To identify the motivating factors affecting the decision of banks to outsource their few services or activities.
2. To identify the perceived benefits of outsourcing in Indian banks.
3. To examine the barriers faced by banks while outsourcing their functions and activities.
4. To examine the difference in the perception of employees of public and private banks for the identified factors, benefits, and barriers of outsourcing.

**HYPOTHESES**

The following hypotheses are examined:

Hypothesis 1: "There exists no significant difference between public and private sector banks with respect to the factors representing the barriers for the outsourcing of the activities."

Hypothesis 2: "There exists no significant difference between public and private sector banks with respect to the factors motivating them for the outsourcing of the activities."

Hypothesis 3: "There exists no significant difference between public and private sector banks with respect to the factors representing the benefits of outsourcing of the activities."

**RESEARCH METHODOLOGY**

The primary data was collected using a survey method with a questionnaire as a data collection tool. Indian Public sector banks and private sector banks were selected as target populations. The Geographical area of study selected was the National capital region of India. The sample banks were selected based on their market capitalization and a large number of branches in the NCR region of India. The perception of bank employees was taken on a 5-point Likert scale where they expressed their responses from strongly agree to strongly disagree towards the factors affecting outsourcing decisions. A sample of 200 bank employees was collected, which included the senior managers, deputy managers, branch managers, Junior managers, and senior clerks working in the sample banks, at branches located in NCR, India. The sample was taken from Punjab National Bank, State Bank of India, Bank of Baroda, HDFC Bank, ICICI Bank, and Axis Bank respectively as three from public sector banks and three from private sector banks. The respondents were asked which activities their bank is outsourcing and for how long they have been outsourced by the bank. 18 statements are included in the questionnaire indicating the different reasons for the outsourcing of the selected activities, 19 statements were included representing the benefits and 22 statements were taken as indicators of barriers of outsourcing in banks. The exploratory factor analysis (EFA) was applied to identify the factors, benefits, and barriers of outsourcing in Indian banks. An independent sample t-test was used to identify the difference in the results of public and private banks for factors, benefits, and barriers separately.

**RESULTS & DISCUSSION**

The responses are collected from the bank employees for how long their bank is outsourcing different activities. The frequency distribution of the number of years for which the bank is doing outsourcing shows that

**TABLE 1: FREQUENCY DISTRIBUTION- HOW LONG HAS YOUR BANK BEEN OUTSOURCING FOR?**

| How long has your bank been outsourcing the activities? | Frequency | Percent |
|---|-----------|---------|
| Less than 3 years                                       | 28        | 14%     |
| 4 to 6 years  | 43        | 21.5%   |
| 7 to 10 years   | 68        | 34%     |
| More than 10 years                                      | 61        | 30.5%   |
| Total   | 200       | 100%    |

Source: primary data collected

**Activities Outsourced**

The responses are collected from the bank employees for different banking activities outsourced. The frequency distribution of the activities outsourced of the bank is shown below:

**TABLE 2: FREQUENCY DISTRIBUTION- ACTIVITIES OUTSOURCED BY THE BANKS**

| Name of activity outsourced   | Yes         | No        |
|---|-------------|-----------|
| Credit card service (sales, billing and collection) & Credit collection | 181 (90.5%) | 19 (9.5%) |
| Supervision of loans  | 166 (83%)   | 34 (17%)  |
| Cheque preparation and clearing   | 156 (78%)   | 44 (22%)  |
| Backend operations (credit processing, corporate and trade services)    | 186 (93%)   | 93 (7%)   |
| ATM Maintenance and Replenishment of cash in ATMs                       | 188(94%)    | 12(6%)    |
| The marketing of Credit cards and debit cards                           | 197(98.5%)  | 3(1.5%)   |
| The marketing of loan services  | 133(66.5%)  | 67(33.5%) |
| HR Audit Support  | 143(71.5%)  | 57(28.5%) |
| Recruitment, Training, and development activities                       | 188(94%)    | 12(6%)    |
| documents dispatch and collection                                       | 183(91.5%)  | 17(8.5%)  |
| Website and mobile app development and technical support                | 193(96.5%)  | 7(3.5%)   |
| Software development and maintenance                                    | 199(99.5%)  | 1(0.5%)   |
| Management of Call centers for customer queries                         | 183(91.5%)  | 17(8.5%)  |
| Big data analytics  | 132(66%)    | 68(34%)   |
| Financial and Investment research                                       | 102(51%)    | 98(49%)   |
| Market Search   | 104(52%)    | 96(48%)   |
| Data processing and back office-related activities                      | 185(92.5%)  | 15(7.5%)  |

Source: primary data collected

The analysis of data is done through exploratory factor analysis taking bank employees' perception of the statements included in the questionnaire.

**Factors Behind the Outsourcing Decision of Banks**

Commercial banks in India outsource different activities to different external firms due to different reasons. In the present study, the adequacy of sample size is examined with the help of the KMO test whereas the correlation between different statements is examined with the help of Bartlett's test of sphericity. Table 1 represents the estimated values of KMO and Bartlett's test, as shown below:

**TABLE 3: KMO AND BARTLETT'S TEST FOR FACTORS BEHIND OUTSOURCING DECISIONS OF BANKS**

|  |                      |         |
|--|----------------------|---------|
| Kaiser-Meyer-Olkin (KMO) estimate of sampling adequacy | .85                  |         |
| Bartlett's test of sphericity                          | Chi-Square statistic | 1646.22 |
|  | Degree of freedom    | 153     |
|  | P value              | .000    |

Source: primary data collected

Table 3 depicts the KMO statistics 0.846 which is greater than the required value of 0.6 (Nunnally, 1967). This indicates that the sample size is adequate for factor analysis. The table reported that the Chi-square statistics estimated for Bartlett's test is found to be 1646.217 with the probability value of 0.000. Thus, the correlation matrix is not an identity matrix and the items included in factor analysis are significantly correlated.

The exploratory factor analysis represents (Table -4) that 18 indicating statements confirm five main factors of outsourcing. The EFA provides the five factors which are examined carefully and are named as

*Factor 1: Strategic Competitive Advantage*

*Factor 2: Better Customer Service*

*Factor 3: Better use of resources*

*Factor 4: Capitalisation of Technological advancements*

*Factor 5: Cost-Effectiveness*

TABLE 4: ROTATED COMPONENT MATRIX FOR FACTORS BEHIND OUTSOURCING DECISIONS OF BANKS

| Statements including in factor analysis                                    | Factor Loadings | Rotated Eigen Value | Variance Explained | Communality | Factor Name                                  |
|--|-----------------|---------------------|--------------------|-------------|--|
| Improvement of brand image   | .91             | 2.94                | 16.32%             | 0.85        | Strategic Competitive Advantage              |
| Focus on core banking business   | .89             |                     |                    | 0.81        |  |
| Risk Management  | .83             |                     |                    | 0.71        |  |
| Better services than competitors   | .76             |                     |                    | 0.59        |  |
| Better overall customer experience   | .83             | 2.31                | 14.85%             | 0.71        | Better Customer Service                      |
| Advantage of expert services from outside                                  | .81             |                     |                    | 0.67        |  |
| Improvement in the service quality for customers                           | .78             |                     |                    | 0.65        |  |
| Providing services effectively to a large number of customers              | .77             |                     |                    | 0.61        |  |
| Effective utilization of bank resources                                    | .80             | 2.30                | 12.83 %            | 0.65        | Better use of resources                      |
| To access services unavailable inhouse                                     | .75             |                     |                    | 0.58        |  |
| Lack of internal expertise   | .71             |                     |                    | 0.56        |  |
| Effective allocation of inhouse personnel                                  | .71             |                     |                    | 0.54        |  |
| The benefit of advanced technology by the service provider                 | .86             | 2.15                | 11.97 %            | 0.77        | Capitalisation of Technological advancements |
| Better IT competences  | .81             |                     |                    | 0.68        |  |
| Reduction of risk of technology obsolescence                               | .81             |                     |                    | 0.71        |  |
| Saving of time by outsourcing the activities                               | .81             | 1.92                | 10.70 %            | 0.68        | Cost Effectiveness                           |
| Avoid recruitment of additional staff                                      | .77             |                     |                    | 0.61        |  |
| Cost-saving  | .74             |                     |                    | 0.58        |  |
| Principal component analysis, varimax Rotation method, No. of iterations-6 |                 |                     | <b>66.68%</b>      |             |  |

Source: primary data collected

The rotated sum of squared loadings of these five factors indicates that 66.68% variance can be explained combined with these five factors. It is worth noting that Improvement in the brand image (Factor loading=0.913) and focus on core banking business (Factor loading= 0.892) has the highest factor loadings than the other indicators, which means their contribution for the factors of outsourcing is higher than others. Though, all the indicators have shown the high factor loadings (More than 0.714), reflecting that all the indicators are contributing significantly to the factors of outsourcing as per the perception of bank employees.

The results indicate that banks face competition in giving better services than the others, the outsourcing of the activities results in ultimate competitiveness in providing better services than others. Outsourcing of the activities also provides the *risk management tools* which make the bank superior to the competitors. Outsourcing of the few selected activities also helps in improving the brand image of the bank and hence helps in gaining strategic competitive advantages to the banks. Cost-effectiveness is still found as an important factor for outsourcing decisions. The focus now is not only limited to save the costs, but it has been shifted to the effectiveness of costs incurred.

**Benefits of Outsourcing Activities**

Nineteen different statements indicating the different benefits of outsourcing of activities were identified from the existing literature and included in the questionnaire. The data analysis demands for sample size adequacy, which has been identified by using KMO and Bartlett's test of sphericity.

TABLE 5: KMO AND BARTLETT'S TEST FOR BENEFITS OF OUTSOURCING

|  |                    |         |
|--|--------------------|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | .90                |         |
| Bartlett's Test of Sphericity                    | Approx. Chi-Square | 2071.74 |
|  | Degree of freedom  | 171     |
|  | P value            | .000    |

Source: primary data collected

The result of the KMO statistics is found to be 0.902. The results show that the Chi-square statistics estimated for Bartlett's test are found to be 2071.744 with a probability value of 0.000. Therefore, it can be concluded that the items included in the questionnaire to examine the benefits of outsourcing the activities are significantly correlated.

TABLE 6: ROTATED COMPONENT MATRIX FOR BENEFITS OF OUTSOURCING

| Statements including in factor analysis  | Factor Loadings | Rotated Eigen Value | Variance Explained | Communality | Factor Name            |
|--|-----------------|---------------------|--------------------|-------------|------------------------|
| Able to get Extensive branch network   | .79             | 7.643               | 20.93%             | .69         | Competitive benefits   |
| Easy access to loans   | .77             |                     |                    | .67         |                        |
| Increase in customer base  | .77             |                     |                    | .63         |                        |
| Key accounts held with the bank  | .76             |                     |                    | .64         |                        |
| Given Superior customer service  | .76             |                     |                    | .68         |                        |
| Outsourcing has Lower bank charges   | .74             | 2.027               | 18.07%             | .67         | Reputational benefits  |
| Bank's positive reputation built is as a result of outsourcing   | .82             |                     |                    | .71         |                        |
| More satisfied customers   | .80             |                     |                    | .70         |                        |
| Lower employee turnover ratio  | .75             |                     |                    | .66         |                        |
| Bank has been providing faster customer service.   | .75             |                     |                    | .66         |                        |
| Considered as the all-round best bank by RBI   | .74             | 1.940               | 14.82%             | .65         | Profitability benefits |
| Revenues are increasing every year   | .82             |                     |                    | .74         |                        |
| Outsourcing has provided enhanced economies of scale in technological resources                                    | .81             |                     |                    | .73         |                        |
| Effective recycling of funds   | .75             | 1.430               | 14.80%             | .72         | Other benefits         |
| Reduction in operating costs of activities that are outsourced as compared with the competitors                    | .71             |                     |                    | .65         |                        |
| Benefits on recruitment, training, and infrastructural development by outsourcing HR activities to the third party | .83             |                     |                    | .66         |                        |
| Overall Customer services being improved   | .79             |                     |                    | .67         |                        |
| Reduction in operating costs of activities after outsourcing which were earlier done in house                      | .75             |                     |                    | .75         |                        |
| Internal organizational stability and flexibility in obtaining improved satisfaction                               | .72             |                     |                    | .70         |                        |
| Principal component analysis, varimax Rotation method, No. of iterations-6   |                 |                     | <b>68.63%</b>      |             |                        |

Source: primary data collected

The results of PCA and varimax rotation indicates that 19 statements can be explained with the help of 4 factors. 68.63% of the variance can be explained with the four extracted factors of the benefits of outsourcing. The four factors are named as follows:

Factor 1: Competitive Benefits

Factor 2: Reputational Benefits

Factor 3: Profitability Benefits

Factor 4: Other Benefits

The results indicate that all the indicator statements showed high factor loadings to the factors which reflect all indicators significantly contribute to the perception of employees for the benefits of outsourcing. The competitive benefits (Variance explained=20.931%) contributed to the perception of employees for the benefits of outsourcing as compared to the profitability benefits (Variance explained=14.821%) and other benefits (Variance explained=14.806%). The factor loading was found highest for the benefits on recruitment, training, and infrastructural developments by outsourcing the HR functions (Factor loading=.833) and banks experienced the increase in revenues (Factor loading=.824). Indicating that banks are having increased revenues and reputation after outsourcing their functions.

**Barriers of Outsourcing in Banks**

In this section, the barriers faced by banks are identified with the help of 22 statements indicating the different types of barriers.

**TABLE 7: KMO AND BARTLETT'S TEST FOR THE BARRIERS OF OUTSOURCING IN BANKS**

|  |                    |         |
|--|--------------------|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. |                    | .88     |
| Bartlett's Test of Sphericity                    | Approx. Chi-Square | 2066.27 |
|  | Df                 | 231     |
|  | Sig.               | .000    |

Source: primary data collected

The results indicate that the KMO statistics are found to be 0.876. The estimated value of KMO is greater than the required value of 0.6 which indicates that the sample size is adequate in order to apply the factor analysis. The results show that the Chi-square statistics estimated for Bartlett's test is found to be 2066.273 with the probability value of 0.000 indicating that the selected statements are significantly correlated.

**TABLE 8: ROTATED COMPONENT MATRIX FOR BARRIERS OF OUTSOURCING IN BANKS**

| Statements included in factor analysis   | Factor Loadings | Extracted Communality | Rotated Eigen Value | Variance explained | Factor name     |
|--|-----------------|-----------------------|---------------------|--------------------|-----------------|
| The problem in facing technological gaps   | .81             | .70                   | 3.62                | 16.45%             | Value barrier   |
| the service provider does not perform as expected by the bank                            | .79             | .66                   |                     |                    |                 |
| Sub-standard delivery of service   | .79             | .71                   |                     |                    |                 |
| Confidentiality issues aroused in the security of sensitive data of customers            | .78             | .69                   |                     |                    |                 |
| Bank faced Financial losses due to a third party's errors                                | .77             | .66                   | 3.27                | 14.86%             | Image barrier   |
| No clear understanding of banks service expectation                                      | .82             | .68                   |                     |                    |                 |
| Heavier regulatory and compliance requirements in the home market                        | .78             | .64                   |                     |                    |                 |
| Bank faced the loss of credibility due to third party's inefficiencies                   | .81             | .68                   |                     |                    |                 |
| Lack of commitment in timely performance by the service provider                         | .79             | .64                   |                     |                    |                 |
| Lead to serious legal problems and litigations due to data privacy and related issues    | .76             | .62                   | 3.16                | 14.38%             | Trust barrier   |
| The service provider has Insufficiently skilled staff                                    | .80             | .74                   |                     |                    |                 |
| Service providers Subcontracts without informing the bank                                | .82             | .75                   |                     |                    |                 |
| Hidden and non- transparent costs in service level agreements                            | .60             | .65                   |                     |                    |                 |
| The difference in goals of bank and service provider                                     | .58             | .62                   | 2.38                | 10.85%             | Risk barrier    |
| The bank needs continuous supervision of the service provider                            | .79             | .71                   |                     |                    |                 |
| Inability to insource an activity once outsourced  | .62             | .53                   |                     |                    |                 |
| The success of the bank becomes dependent on successful delivery by the service provider | .69             | .54                   | 2.10                | 9.50%              | Control barrier |
| Outsourcing effects the long-term operational innovativeness                             | .70             | .54                   |                     |                    |                 |
| Employees of the bank and service provider do not properly collaborate                   | .73             | .57                   | 2.10                | 9.50%              | Control barrier |
| Loss of control in decision making   | .77             | .74                   |                     |                    |                 |
| The cost involved in outsourcing exceeds the calculated budget                           | .71             | .67                   |                     |                    |                 |
| Loss of internal expertise   | .73             | .69                   |                     |                    |                 |
| Principal component analysis, varimax Rotation method, No. of iterations-6               |                 |                       |                     | <b>66.06%</b>      |                 |

Source: primary data collected

The results of PCA and varimax rotation indicate that 22 statements can be explained with the help of 5 factors. These 5 factors are able to explain 66.061% of the variance of the included statements. The EFA provides the five factors which are examined carefully and are names as

Factor 1: Value Barrier

Factor 2: Image Barrier

Factor 3: Trust Barrier

Factor 4: Risk Barrier

Factor 5: Control Barrier

The results indicate that all indicators are significantly contributing to the perception of employees for the barriers faced by the banks in outsourcing their functions. The value barriers are predominating the other type of barriers as per the employee's perception. (Variance explained= 16.457%), followed by image and trust barriers. The indicator "service providers subcontract without pre informing the banks" shown the highest factor loading (.827), indicating the existence of a lack of trust between the service provider and the bank. "No clear understanding of the banks' service expectation" also contributed highly to the employee's perception of barriers (.823) Problem in facing technological gaps is also the major problem faced by banks (.814). It can be said that even after enormous growth in technology and availability of service providers, still there is dissatisfaction in banks for the outsourcing contracts.

**Comparison Between Public and Private Sector Banks in India**

The independent t-test is applied in order to examine the difference if any exists between the average score of the public and private banks against the different factors representing the motivating factors, benefits, and barriers of outsourcing from their employee perspective.

TABLE 9: INDEPENDENT SAMPLE T-TEST WITH RESPECT TO FACTORS MOTIVATING FOR OUTSOURCING ACTIVITIES

| Factors motivating outsourcing activities    | Type of Bank | Sample size | Mean | Std. Deviation | T statistics (p-value)          | Conclusion                   |
|--|--------------|-------------|------|----------------|---------------------------------|------------------------------|
| Better Customer Service                      | Public       | 94          | 3.37 | .79            | <b>-1.983</b><br><b>(0.049)</b> | Significant difference found |
|  | Private      | 106         | 3.59 | .81            |                                 |                              |
| Better use of Resources                      | Public       | 94          | 3.62 | .76            | -1.599<br>(0.111)               | No difference found          |
|  | Private      | 106         | 3.79 | .78            |                                 |                              |
| Capitalization of Technological advancements | Public       | 94          | 3.76 | .94            | -1.752<br>(0.081)               | No difference found          |
|  | Private      | 106         | 3.97 | .76            |                                 |                              |
| Cost Efficiency                              | Public       | 94          | 3.64 | .81            | -1.876<br>(0.062)               |                              |
|  | Private      | 106         | 3.85 | .73            |                                 |                              |
| Strategic Competitive Advantage              | Public       | 94          | 3.44 | .95            | <b>-3.812</b><br><b>(0.000)</b> | Significant difference found |
|  | Private      | 106         | 3.91 | .76            |                                 |                              |

\*p<.05

Source: primary data collected

The table reported that in the case of **better customer services** and **strategic competitive advantages** there is a significant difference found between public and private sector banks concerning average score from their employee perspective. The mean score of the private sector is found significantly greater than the mean score in the case of public sector banks. However, in the case of other factors, no difference is found between public and private sector banks with respect to the average score from their employee perspective. Therefore, the H1 is rejected, and there exist significant differences in the perception of employees of public and private banks for the motivating factors of outsourcing.

**Benefits of outsourcing activities**

The results of hypothesis testing using t-test are shown below in the table:

TABLE 10: INDEPENDENT SAMPLE T-TEST WITH RESPECT TO BENEFITS OF OUTSOURCING ACTIVITIES

|                        | Type of Bank | Sample Size | Mean | Std. Deviation | T statistics (p-value)          | Conclusion                   |
|------------------------|--------------|-------------|------|----------------|---------------------------------|------------------------------|
| Competitive Benefits   | Public       | 94          | 3.21 | .82            | -0.793<br>(0.429)               | No difference found          |
|                        | Private      | 106         | 3.31 | .80            |                                 |                              |
| Reputational Benefits  | Public       | 94          | 3.23 | .77            | <b>-2.098</b><br><b>(0.037)</b> | Significant difference found |
|                        | Private      | 106         | 3.47 | .85            |                                 |                              |
| Profitability Benefits | Public       | 94          | 3.19 | .85            | -1.860<br>(0.064)               | No difference found          |
|                        | Private      | 106         | 3.41 | .85            |                                 |                              |
| Other Benefits         | Public       | 94          | 3.31 | .93            | -1.545<br>(0.124)               | No difference found          |
|                        | Private      | 106         | 3.51 | .93            |                                 |                              |

\*p<.05

Source: primary data collected

The table reported that in the case of **reputational benefits** there is a significant difference found between public and private sector banks with respect to the average score from their employee perspective. The mean score of the private sector is found significantly greater than the mean score in the case of public sector banks. The employees perceive that the reputational benefits are better for private sector banks as compares to the perception of public sector banks. It is evident from the earlier studies that private banks are earning more reputation and flourishing their business due to the latest innovative solution, excellent customer services, using the latest technological updates in business. However, in the case of **competitive benefits**, **profitability benefits**, and **other benefits** no difference is found between public and private sector banks with respect to the average score from their employee perspective. It indicates that both types of banks are enjoying the benefits of competition, an increase in profits, and many other benefits of their outsourcing decisions. Hypothesis H2 is rejected and it can be said that there exists a significant difference exists among employee’s perception of the benefits of outsourcing.

**Barriers of Outsourcing**

TABLE 11: INDEPENDENT SAMPLE T-TEST FOR THE FACTORS REPRESENTING THE BARRIERS OF OUTSOURCING

|                 | Type of Bank | Sample size | Mean | Std. Deviation | T- statistics (p value)         | Remark                |
|-----------------|--------------|-------------|------|----------------|---------------------------------|-----------------------|
| Value Barrier   | Public       | 94          | 3.13 | .70            | -1.128<br>(0.261)               | No difference found   |
|                 | Private      | 106         | 3.26 | .89            |                                 |                       |
| Image Barrier   | Public       | 94          | 3.36 | .96            | -1.571<br>(0.118)               | No difference found   |
|                 | Private      | 106         | 3.57 | .89            |                                 |                       |
| Risk Barrier    | Public       | 94          | 3.13 | .89            | -0.875<br>(0.383)               | No difference found   |
|                 | Private      | 106         | 3.23 | .85            |                                 |                       |
| Trust Barrier   | Public       | 94          | 2.81 | .63            | <b>-2.392</b><br><b>(0.018)</b> | Sig. difference found |
|                 | Private      | 106         | 3.06 | .84            |                                 |                       |
| Control Barrier | Public       | 94          | 3.24 | .85            | <b>-2.421</b><br><b>(0.016)</b> | Sig. difference found |
|                 | Private      | 106         | 3.53 | .83            |                                 |                       |

\*p<.05

Source: primary data collected

The table reported that in the case of the **trust barrier** and **control barrier** there is a significant difference found between public and private sector banks with respect to an average score of barriers from their employee perspective. The mean score of the private sector is found significantly greater than the mean score in the case of public sector banks. It indicates that private bank employees consider trust as a major barrier to the success of an outsourcing contract. The lack of control over the outsourced activities is one major concern for the banks. It always requires a huge change in investment for taking an activity once outsourced back to the in-house employees. However, in the case of other factors, no difference is found between public and private sector banks with respect to the average score of barriers from their employee perspective. Thus, the H3 is also rejected and there exists a difference in the perception of the public banks and private banks employees for the barriers of outsourcing.

**FINDINGS**

It is evident from the analysis of data that “factors of outsourcing”, “benefits of outsourcing”, and “barriers of outsourcing”, are significant to the outsourcing decisions for the public and private banks. It is very much similar in line with the earlier studies. (Jain & Natarajan, 2011), (Gulla & Gupta, 2011b), The comparative study of these factors is also found significant for future research about outsourcing decisions. IT/IS and BPO are found the most outsourced services till the present. Though some private banks have started taking more risks in Their outsourcing decisions and have started outsourcing their knowledge management processes also. The detailed discussion on the results of the analysis is as follows:

**Factors of Outsourcing**

It is evident from the data analysis that bank employees of public and private banks in India are strongly positively influenced by their perception that outsourcing helps them in achieving strategic competitive advantages, improving their customer service, helps to achieve cost-effectiveness. It is also evident that banks are willing to take advantage of the updated technologies. Banks want to improve their operational efficiencies by taking the benefits of the latest developments in information and communication technology and making the effective utilization of their resources. (Hanafizadeh & Zare Ravasan, 2018a)(Gulla & Gupta, 2012)

Banks have to make their customer banking experience more convenient, which is possible by outsourcing their services to other service providers. The findings of the present studies are similar to evidence from the previous studies that factors like service quality, price, customer relationship management, and corporate image contribute to customer satisfaction which helps in increasing customer loyalty. (Shafiee & Emadi, 2020) (Farooq et al., 2018)

The results confirm the findings of earlier researches conducted for outsourcing decisions in the Indian context. (Gulla & Gupta, 2011b). It is slightly differentiating with the studies done in developed nations, where cost-savings and unavailability of skilled labour are the primary reasons for outsourcing (Rajabzadeh et al., n.d.) (Wickramasinghe, 2015) (Kumar Sharma & Al-Muharrami, 2018) (Farooq et al., 2018) (Arora, n.d.) (Patnayak & Swain, 2010) For being the benchmark in providing customer service banks do not hesitate in taking the help of expert services available in the market. To serve the customer with the best of the services outsourcing is done to the market experts, outsourcing brings fruitful results in terms of increased customer base and operational benefits.

Outsourcing for many companies provides an opportunity to function with greater flexibility. According to Singh and associates, 2020, in outsourcing, to reflect changing business atmosphere, the contracts and the jobs of their workers depend on the extent of flexibility (Singh and associates, 2020). Development in tele-communications and satellite communications and advancement in fiber optics technology have made internet-based communication and transfer of data possible, opening the new way for outsourcing by Indian banks now with the help of customer care services that help banks as well as customers to enhance their efficiency and stand out in market especially in case of private sector banks trying hard to stand out. (Singh & Associates, 2020)

Outsourcing of IT and IS activities also reduce the risk of obsolescence in technology, because the service provider invests in the technology and infrastructure, so banks become free from the risk of obsolescence of very fast-changing technology and the bank can take the benefit of updated technology. The factors of outsourcing like cost-effectiveness and better use of resources, capitalization of technological advancements was found similar in bank employees' perception, but the private banks were found to have a more positive influence on the strategic competitive advantage of outsourcing than the public banks. The reason being the improved brand image of private banks in the eyes of customers and their urge to serve their customers with innovative and benchmark solutions.

**Benefits of Outsourcing**

The results of data analysis indicate the strong positive perception of employees for the benefits of outsourcing. The results indicated that banks are enjoying the benefits of updated technologies, pricing benefits due to available competition in the vendor market. The analysis confirms the findings of the earlier researches in the Indian Context. (Ravi et al., 2011);(Gulla & Gupta, 2011b) (Majumdar, 2011);(Mohapatra et al., 2015) Public and private banks have recognized the importance of outsourcing to increase revenues and maximize efficiency along with maximum cost-effectiveness. Increases in the number of customers, along with the advanced knowledge of customers regarding the different financial policies and services, have become a vital aspect for the banks' decisions. (Sharma, 2018). Advancement in technology has powered banks to process many transactions and customers seeking additional requirements.

Due to the increased number of service providers the availability of experienced and specialized service providers has increased, outsourcing of the activities which were demanding for heavy investments in infrastructure and technology in-house results in ultimate cost-effectiveness. (Elhoushy et al. 2020) The outsourcing of the HR activities also helps in reducing the investment in recruitment, training, and development of staff and provides cost-effectiveness to the bank. (Han et al., 2008)

The outsourcing of the activities allows the banks to achieve superior margins compared to their competitors' banks and generates value for their shareholders. Outsourcing provides the banks an edge over their competitors due to the superiority of selected vendors. The customer experience with the best of the services helps in retaining the existing customers by enhancing customer loyalty. Banks receive reputational benefits as a result of their outsourcing decisions. Better service quality, price, customer relationship management, and corporate image contribute a lot to customer satisfaction which ultimately increases customer loyalty. The outsourcing of activities provides an opportunity to utilize the existing resources of the banks with greater flexibility.

**Barriers of Outsourcing**

As far as the barriers of outsourcing are concerned, the study revealed that the overall perception of employees was more significant for trust and control barriers. For private banks, the trust and control factors were the most serious barriers as compared to the public banks. The findings are quite similar to the earlier studies conducted internationally, in the area of outsourcing in the banking sector (Gunasekaran et al., 2015) (Agburu et al., 2017); (Tjader et al., 2010) As banks deal with a large number of customers personal, professional and financial information, there exists the highest risks of data leakage, and losing the confidentiality of data, which directly impact the reputation of the banks and which may lead to serious legal issues. Sub-standard delivery of services and non-promptness in performance are found the most highlighted issues in breach of outsourcing agreements.

**Comparison of Public and Private Sector Banks**

The private banks were found to have more reputation built than the public banks, the increase in business of private is the proof of their growth. (Al-Homaidi et al., 2018) Though both types of banks are enjoying an increase in profits, Competitive benefits, and other benefits. The existing competition in the banking sector in India has also forced the public banks to improve their service levels, as a result of which, the public banks are also adopting technological advancements at a high pace. (Abbas et al., 2019)

The result of the present study indicated that private banks are having a good reputation in eyes of customers, as they are more liberal in taking decisions as compared to public banks, which are bound by the legal and regulatory controls of the government.

The perception of employees was found similar in terms of value received, enhancement of corporate image of the banks, and risks of outsourcing, but the private banks are facing more trust and control barriers than the Public banks due to the large dependency on the service provider, loss in decision making and loss of internal expertise and differences in costs of outsourcing implementation than the budgeted ones. (Abbas et al., 2019)

**CONCLUSION**

Outsourcing has become a most imperative way for the adoption of innovativeness and technological advancements without investing much in the infrastructures. The Increase in information and communication technology has opened the latest methods of banking like e-banking, mobile banking, payment banks, which has made banking, a quite happier experience for the customers (Abbas et al., 2019) (Abbas et al., 2019) Availability of the large number of expert service providers providing services on reasonable prices has made it quite easier for the banks to outsource those areas on which the bank doesn't have the expertise or have no scope of additional huge investments. (Agrawal et al., 2016b) The mature market of service providers in India has made Outsourcing a leading strategic tool to deal with the technological, organizational, and environmental changes. Some issues like data security, compliance of legal and regulatory framework, timely payments by banks, exact estimation of costs, it is taken care of properly, the outsourcing will bring the synergic effects of teamwork of banks and service providers in the direction of improved banking services in India. The present study will be used further, to develop a measurement model to understand the impact of outsourcing on the overall performance of Indian banks.

**LIMITATIONS**

- The study is conducted in public and private banks in India, the other counterparts like foreign banks, Cooperative banks are not included in the study.
- The research is conducted only in the national capital region of India, which may not hold the same results for the rest of the regions of the country.

## SCOPE FOR FURTHER RESEARCH

- The study provides ample opportunities for research in outsourcing in allied areas to banking like Non-banking financial companies, Insurance and investment banks.
- The study can be used by the banks for designing the policies for new type of banks like small investment banks and payment banks.

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**APPENDICES**

**PART OF QUESTIONNAIRE**

**[B] Outsourcing activities**

B1: How long has your bank been outsourcing the activities?

| S.no | Years              | Please Tick ( <input checked="" type="checkbox"/> )mark the option |
|------|--------------------|--|
| 1    | Less than 3 years  |  |
| 2    | 4 to 6 years       |  |
| 3    | 7 to 10 years      |  |
| 4    | More than 10 years |  |

B2: Outsourced activities in different functional areas. Please Tick (  )mark separately for each statement

| Financial services   | Yes | No |
|--|-----|----|
| Credit card service (sales, billing, and collection) & Credit collection |     |    |
| Supervision of loans   |     |    |
| Cheque preparation and clearing  |     |    |
| Backend operations (credit processing, corporate and trade services)     |     |    |
| ATM maintenance and cash replenishment in ATMs                           |     |    |
| <b>Marketing activities</b>  |     |    |
| The marketing of Credit cards and Debit cards                            |     |    |
| The marketing of loan services   |     |    |
| <b>HR activities</b>   |     |    |
| HR Audit support   |     |    |
| Recruitment, Training, and development activities                        |     |    |
| Documents dispatch and collection  |     |    |
| <b>Information technology services</b>                                   |     |    |
| Management of Call centers for customer queries                          |     |    |
| Software development and maintenance                                     |     |    |
| Data processing and back office-related activities                       |     |    |
| Website and mobile app development and technical support                 |     |    |
| <b>Knowledge process outsourcing (KPO)services</b>                       |     |    |
| Market search  |     |    |
| Big data analytics   |     |    |
| Financial and investment research  |     |    |

[C] C1: Motivating factors of outsourcing activities:

Please Tick (  )mark your response for related agreement and disagreement for each statement.

| Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|----------------|-------|---------|----------|-------------------|
| =SA            | =A    | =N      | =D       | =SDA              |

| Motivating factors for Outsourcing Activities                 | SA | A | N | DA | SDA |
|---|----|---|---|----|-----|
| Saving of time by outsourcing the activities                  |    |   |   |    |     |
| Cost Saving   |    |   |   |    |     |
| Improvement in service quality for customers                  |    |   |   |    |     |
| Risk Management   |    |   |   |    |     |
| Better overall customer experience                            |    |   |   |    |     |
| Improvement of brand image                                    |    |   |   |    |     |
| The Benefit of advanced technology by the service provider    |    |   |   |    |     |
| Effective utilization of bank resources                       |    |   |   |    |     |
| Effective allocation of Inhouse personnel                     |    |   |   |    |     |
| Access to services unavailable inhouse                        |    |   |   |    |     |
| Advantage of expert services from outside                     |    |   |   |    |     |
| Reduction of risk of technology obsolescence                  |    |   |   |    |     |
| Better IT competences   |    |   |   |    |     |
| Focus on core banking business                                |    |   |   |    |     |
| Avoid recruitment of additional staff                         |    |   |   |    |     |
| Lack of internal expertise                                    |    |   |   |    |     |
| Better services than competitors                              |    |   |   |    |     |
| Providing services effectively to a large number of customers |    |   |   |    |     |

Please suggest other factors (If Any) .....

C2. Perceived benefits of outsourcing by your respective bank.

Please Tick (✓) mark your response for related agreement and disagreement for the following statements.

|                       |             |               |                |                           |
|-----------------------|-------------|---------------|----------------|---------------------------|
| Strongly Agree<br>=SA | Agree<br>=A | Neutral<br>=N | Disagree<br>=D | Strongly Disagree<br>=SDA |
|-----------------------|-------------|---------------|----------------|---------------------------|

| <b>Competitive benefits of outsourcing</b>   | SA | A | N | DA | SDA |
|--|----|---|---|----|-----|
| Able to get Extensive branch network   |    |   |   |    |     |
| Increase in customer base  |    |   |   |    |     |
| Outsourcing has Lower bank charges   |    |   |   |    |     |
| Easy access to loans   |    |   |   |    |     |
| Key accounts held with a bank  |    |   |   |    |     |
| Given superior customer service  |    |   |   |    |     |
| <b>Reputation benefits of outsourcing</b>  | SA | A | N | DA | SDA |
| Bank's positive reputation built is a result of outsourcing  |    |   |   |    |     |
| Bank has been providing Faster customer service after outsourcing  |    |   |   |    |     |
| More satisfied customers   |    |   |   |    |     |
| Lower employees' turnover ratio  |    |   |   |    |     |
| Considered as the all-round best bank by RBI   |    |   |   |    |     |
| <b>Profitability benefits of outsourcing</b>   | SA | A | N | DA | SDA |
| Revenues are increasing every year   |    |   |   |    |     |
| Effective recycling of funds   |    |   |   |    |     |
| Reduction in operating costs of activities that are outsourced   |    |   |   |    |     |
| Outsourcing has provided enhanced economies of scale in technological resources                                    |    |   |   |    |     |
| <b>Other benefits of outsourcing</b>   | SA | A | N | DA | SDA |
| Benefits on recruitment, training, and infrastructural development by outsourcing HR activities to the third party |    |   |   |    |     |
| Overall Customer services being improved   |    |   |   |    |     |
| Reduction in operating costs of activities after outsourcing which is earlier done in-house                        |    |   |   |    |     |
| Internal organizational stability and flexibility in obtaining improved satisfaction                               |    |   |   |    |     |

D2: Barriers faced by your bank while outsourcing the services

|                       |             |               |                |                           |
|-----------------------|-------------|---------------|----------------|---------------------------|
| Strongly Agree<br>=SA | Agree<br>=A | Neutral<br>=N | Disagree<br>=D | Strongly Disagree<br>=SDA |
|-----------------------|-------------|---------------|----------------|---------------------------|

| <b>Barriers faced by your bank in Outsourcing</b>                                      | SA | A | N | DA | SDA |
|--|----|---|---|----|-----|
| Lack of commitment in timely performance by the service provider                       |    |   |   |    |     |
| The service provider has Insufficiently skilled staff                                  |    |   |   |    |     |
| The difference in goals of bank and service provider                                   |    |   |   |    |     |
| Cost Involved in outsourcing exceeds the calculated budget                             |    |   |   |    |     |
| Confidentiality Issues raised in security of Sensitive data of customers               |    |   |   |    |     |
| Lead to serious legal problems and litigations due to data privacy and related issues  |    |   |   |    |     |
| Bank faced the loss of credibility due to third party's inefficiencies                 |    |   |   |    |     |
| Heavier regulatory and compliance requirements in the home market                      |    |   |   |    |     |
| The problem in facing technological gaps   |    |   |   |    |     |
| Bank faced Financial losses due to third party's errors                                |    |   |   |    |     |
| service provider subcontracts without informing the bank                               |    |   |   |    |     |
| Loss of internal expertise   |    |   |   |    |     |
| Sub-standard delivery of service   |    |   |   |    |     |
| Hidden and non-transparent costs in Service level agreements                           |    |   |   |    |     |
| No clear understanding of Banks service expectation                                    |    |   |   |    |     |
| Outsourcing affects the long-term operational innovativeness                           |    |   |   |    |     |
| Loss of control in decision making   |    |   |   |    |     |
| The service provider does not perform as expected by the bank                          |    |   |   |    |     |
| The bank needs continuous supervision of the service provider                          |    |   |   |    |     |
| Inability to insource an activity once outsourced                                      |    |   |   |    |     |
| The success of a bank becomes dependent on successful delivery by the service provider |    |   |   |    |     |
| Employees of the bank and service provider do not properly collaborate                 |    |   |   |    |     |

## **REQUEST FOR FEEDBACK**

**Dear Readers**

At the very outset, International Journal of Research in Commerce, IT & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue, as well as on the journal as a whole, on our e-mail [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com) for further improvements in the interest of research.

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I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

**Academically yours**

Sd/-

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In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

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