SWOT Analysis on Indian Postal Schemes - Study on the Post Office Savings Bank of Kerala Circle

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***Abstract*: Strong and robust financial institutions are the standards of economic growth, development and success of modern economies. A financial system, which is inherently strong, functionally varied and displays efficiency and flexibility, is critical to our national objectives of creating a market-driven, dynamic and competitive economy. A mature system supports higher levels of investment and promotes reasonable growth in the economy with its depth and coverage.**

***Keywords:* Strength, Weakness, Opportunity, Threat**

1. INTRODUCTION

The Department of Posts, which functions as an organ of the Government of India, apart from the banking systems, also has a great potential to cater to the rural population and contribute towards further inclusion. India Post is a reliable establishment having proper reach nationwide with wide line up of financial instruments. India Post has about 1,56,600 post offices (as on 31.03.2019) of which 1,41,001 (90.04%) are in rural areas. There is one post office for every 8,511 people in India. India Post also has 2,39,637 agents in the rural area. About 2.2 crore people, already receive their National Rural Employment Guarantee Act (NREGA) payments by post offices. After State Bank of India(SBI), India Post has the largest deposits valued at ₹6 lakh crore. Pradhan Mantri Jan-DhanYojana (PMJDY) is National Mission for Financial Inclusion to establish access to financial services, namely Banking Savings & Deposit Accounts, Remittance, Credit, Insurance, Pension in an affordable manner. Run by Department of Financial Services, Ministry of Finance, on the launch of the scheme , 1.5 Crore (15 million) bank accounts were opened. Guinness World Records Recognizes the Achievements made under PMJDY, Guinness World Records Certificate says "The most bank accounts opened in 1 week as a part of financial inclusion campaign is 18,096,130 and was achieved by Banks in Indian continent from 23 to 29 August 2014". By 13th January 2016, over 20 crore (200 million) bank accounts were opened and ₹301.08 billion (US$4.4 billion) were deposited under the scheme

The present study is an attempt to analyze the spatial and temporal distribution of financial inclusion and contemplate steps for further improvements of improving access of finance. The results indicate low preference for postal services among the more prosperous states.

2. METHODOLOGY

The Post Office Savings Bank (POSB) is one of the Financial Services provided by the Department of Posts. It is one of the oldest and largest banking institution in the country. It operates more than 35.67 crore savings accounts. The Post Office Savings Bank Scheme is an agency function performed by the Department of Posts on behalf of the Ministry of Finance, Government of India. Savings Bank facilities are provided through a network of more than 1,56,000 post offices. There are a number of schemes provided by the Post Office Savings Bank and these include: Savings Accounts, Recurring Deposits (RD), Time Deposit(TD) Monthly Income Scheme (MIS), Public Provident Fund (PPF), National Savings Certificate (NSC), Kisan Vikas Patra (KVP), Senior Citizens Savings Scheme (SCSC) and Sukanya Samriddhi Accounts.

This study explores the ways the POSB contributed to the Financial inclusion or inclusive financing in the delivery of financial services at a reasonable prices to sections of disadvantaged and low-income groups of society, in contrast to financial exclusion where those provisions are not available or affordable. It is estimated that about 2 billion working-age adults globally have no access to the types of formal financial services provided by regulated financial institutions. This study is meant to know about the Strength, Weakness, Opportunity and Threat Factors Indian Postal Schemes.

The method used in the study is exploratory as it utilizes scoring of the variables. The collected data contains both the qualitative and quantitative data. Accordingly, the study uses both qualitative and quantitative techniques for the analysis of data. The statistical analysis comprised of two stages. The first stage examines the descriptive statistics of the measurement items and assessed the reliability and validity of the measure applied in this study. The second stage tested the SWOT and this involves assessing the contributions and significance of the manifest variable's path coefficients (Grimm, 2000).

Confirmatory factor analysis was used to explore the relationships between independent and moderating variables and to describe the construct of the theoretical frame work. This was done using the software AMOS 18 (Arbuckle, 2006 a). In the confirmatory factor analysis, first a theoretically supported model was developed for each factor, a path diagram of casual

relationships was constructed and, the parameter estimated in the model were examined based on the goodness of fit measures available in AMOS output (Byrnes, 2006).

By using SEM, it is a common practice to use a variety of indices to measure the model fit. In addition to the ratio of the $\chi 2$ statistic to its degree of freedom, with a value less than 5 indicating acceptable fit, researchers recommended a handful of fit indices to assess model fit (Kline, 2005). These are the Goodness of Fit Index (GFI), Adjusted goodness of fit (AGFI), Normed Fit Index (NFI), Standardized Root Mean Residual (SRMR), and the Comparative Fit Index (CFI). The root mean squared error of approximation (RMSEA) is selected as a measure (Gignac, 2006).

The measures of "goodness of fit' followed in this research are:

Absolute fit measures

Likelihood ratio Chi-square statistic (p): usually greater than 0.05 or 0.01 is the level of acceptable fit.
Goodness of fit index (GFI): higher values closure to 1.0, indicates better fit.
Root mean square error of approximation (RMSEA): values ranging from 0.05 to 0.08 are acceptable.
Root mean square residual: smaller values are better.

Incremental fit measures

Tuker-Lewis Index (TLI): A recommended value of TLI is 0.09 or greater. The value closure to 1.0 indicates perfect fit.
Normal fit Index (NFI): A recommended value of NFI is 0.09 or greater. The value closure to 1.0 indicates perfect fit.
Adjusted goodness –of –fit index (AGFI): A recommended value of AGFI is 0.09 or greater. The value closure to 1.0 indicates perfect fit.

Parsimonious fit measures

Normal Chi-square (CMIN/DF): Lower limit 1.0 and upper limit 2.0/3.0
Parsimonious goodness-of-fit index (PGFI): the value closure to 1.0 indicates perfect fit (Thompson, 2004)

Considering the above values, a conclusion was reached about the final model of each factor and their relationships. Correlation was then exercised to explore the relationships among the factors of independent and moderating variables. Moreover, multiple regressions were applied to investigate the association between independent and moderating factors (Cohen et.al, 2003)

2.1 K-S test for Normality

It is very essential to test the normality of the data before conducting any statistical analysis as the statistical procedures and tests differs for normal data and non-normal data. In other words, we use parametric test procedure for normal and distribution free methods for non-normal data. To test normality, we use Kolmogorov-Smirnov test under which we test the hypothesis

H0: the given data is normal
H1: the given data is non-normal.

If p value is less than 0.05, we reject the normality assumption, and if p value is greater than 0.05 the data is normal.

Accordingly, first we conduct the K-S test and the following table gives the result of the K-S test. The test indicates that the data is normal.

Table 1 K-S test for Normality

Variable	*N*	*Mean*	*Std. Deviation*	*Kolmogorov-Smirnov Z*	*Asymp. Sig. (2-tailed)*
Strength Factors	846	33.40	13.13	0.178	0.429
Weakness Factors	846	19.65	7.69	0.491	0.312
Opportunity Factors	846	24.79	9.53	0.527	0.299
Threats Factors	846	19.89	7.59	0.773	0.220

2.2 Reliabillity

The reliability of the questionnaire is also evaluated using Cronbach's alpha. The following table gives the initial Cronbach's alpha for each of the construct considered. Result shows that most of the constructs have reliability greater than 0.7, so we proceed for further analysis.

Table 2 Reliabillity

Variables	*Cronbach's Alpha*	*No. of Items*
Strength Factors	0.956	8
Weakness Factors	0.880	5
Opportunity Factors	0.943	6
Strength Factors	0.956	8

2.3 Structural equation modeling (SEM)

Structural equation modeling (SEM) is a statistical technique that takes a confirmatory approach to the analysis of a structural theory bearing on some phenomenon. SEM conveys two important aspects of the procedures: a) causal process under study is represented by a series of structural (regression) equations, and b) these structural relationships can be modelled to facilitate a clearer conceptualization of the theory under study. The hypothesized model is statistically tested simultaneously to examine its consistency with the data through goodness of fit measures.

It allows the examination of a series of dependence relationships between exogenous (independent) and endogenous (dependent) variables simultaneously. An exogenous variable is one whose variability is assumed to be determined by causes outside causal model and an endogenous variable, is the one whose variation is explained by exogenous and other endogenous variables in the causal model.

Another classification of variables is latent variables and manifest variables (observed). Latent is a hypothesized and unobserved concept that can only be approximated by observable or measurable variables which are called manifest variables.

SEM consists of two parts: measurement model and the structural equation model.

Measurement model specifies how the latent variables are represented through observed variables and its measurement properties. The structural equation model is a comprehensive model that depicts the pattern of relationships among independent and dependent variables. It incorporates the strengths of multiple regression analysis, factor analysis and multivariate ANOVA.

The structural equation modeling is done using the two-stage analysis in which the measurement model is first estimated and then the measurement model is kept fixed in the next step in which the structural model is estimated. The rationale for this approach is that accurate representation of the reliability of the indicators is best accomplished in two steps to avoid interaction of structural and measurement models.

Confirmatory factor analysis (CFA) is a type of structural equation modelling (SEM), which deals specifically with measurement models, that is relationship between observed measures or indicators (eg. Test items, test scores etc) and the latent variables or factors. A fundamental feature of CFA is its hypothesis –driven nature. In CFA, the researcher specifies the number of factors and the pattern of indicator factor loading in advance, thus the researcher must have a firm prior sense, based on past evidence and theory of the factors that exist in the data. CFA is used for four major purposes 1) psychometric evaluation of measures (questionnaires) 2) construct validation 3) testing method effects and 4) testing measurement in variance (across groups or population).

In social research works, researchers need to have measures with good reliability and validity that are appropriate for use across diverse populations. Development of psychometrically sound measures is an expensive and time consuming process, and CFA be one step in the development of process, because researchers often do not have the time or resources to develop a new measure, they may need to use existing measures. In addition to savings in time and costs, using existing measures also helps to make research findings comparable across studies when the same measure is used in more than one study. However, when using existing measure, it is important to examine whether the measure is appropriate for the population included in the current study. In these circumstances, CFA can be used to examine whether the original structure of the measure works well in the new population.

According to the usual procedures, the goodness of fit is assessed by checking the statistical and substantive validity of estimates (i.e. that no estimates lie out of the admissible range, as the case is for negative variances or correlations larger than one, and that no estimates lack a theoretical interpretation, as the case is for estimates of unexpected sign), the convergence of the estimation procedure, the empirical identification of the model, the statistical significance of the parameters, and the goodness of fit to the covariance matrix. Since complex models are inevitably miss specified to a certain extent, the standard $\chi 2$ test of the hypothesis of perfect fit to the population covariance matrix is given less importance than measures of the degree of approximation between the model and the population covariance matrix. The root mean squared error of approximation (RMSEA) is selected as such a measure.

For the analysis initially an input model was developed by using AMOS-18 graphics. The rectangle represents observed factors; Ovals is drawn in the diagram represents unobserved variable. The curved double headed arrows represent correlations or co-variances among the unobserved variables and the straight headed arrow represents the factor loadings of the observed variables. The small circles with arrows pointing from the circles to the observed variables represent errors /unique factors, which are also known as squared multiple correlation of the standard error.

3. RESULTS AND DISCUSSIONS

Strength, Weakness, Opportunity and Threats of Indian Postal Schemes. In this case we test the following hypothesis

3.1 STRENGTH FACTORS

H1: SF1is a strength factor of Indian Postal Schemes
H2: SF2 is a strength factor of Indian Postal Schemes
H3: SF3 is a strength factor of Indian Postal Schemes
H4: SF4 is a strength factor of Indian Postal Schemes
H5: SF5 is a strength factor of Indian Postal Schemes
H6: SF6 is a strength factor of Indian Postal Schemes
H7: SF7 is a strength factor of Indian Postal Schemes
H8: SF8 is a strength factor of Indian Postal Schemes

Table 3 Model fit Indices for CFA – Strength factor of Indian Postal Schemes

	χ^2	DF	P	Normed χ2	GFI	AGFI	NFI	TLI	CFI	RMR	RMSEA
Strength Factors	12.060	8	.149	1.508	.996	.984	.998	.998	.999	.025	.025

All the attributes loaded significantly on the latent constructs. The value of the fit indices indicates a reasonable fit of the measurement model with data. In Table 4 we present the regression coefficients

Table 4 The regression Coefficients - Strength factor of Indian Postal Schemes

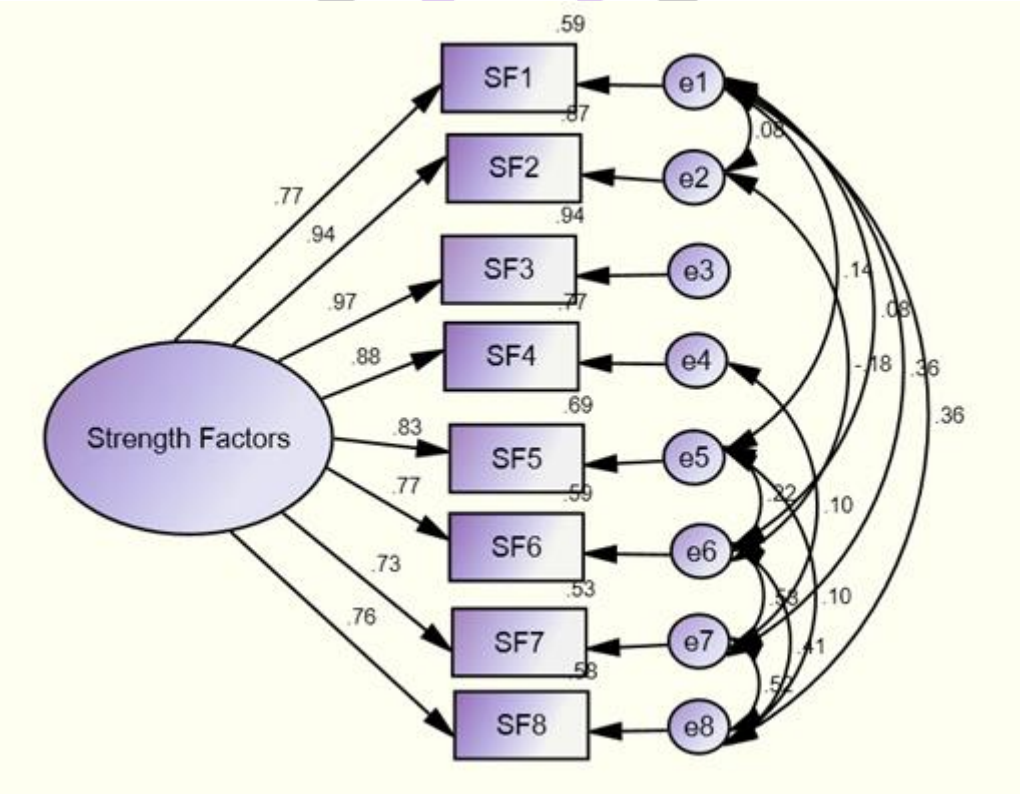
Factors/ Latent Variables (Dependent Variable)	Construct (Independent Variable)	Regression Coefficient	C.R.	P	Variance explained (%)
Strength Factors	SF1	0.770	29.625	<0.001	59.4
	SF2	0.935	49.264	<0.001	87.5
	SF3	0.971	61.248	<0.001	94.2
	SF4	0.876	39.438	<0.001	76.7
	SF5	0.831	34.590	<0.001	69.1
	SF6	0.769	29.553	<0.001	59.2
	SF7	0.729	26.903	<0.001	58.1
	SF8	0.763	29.132	<0.001	58.1

H1: SF1 is a strength factor of Indian Postal Schemes
The results exhibited in Table 4 revealed that the regulatory construct SF1is a strength factor of Indian Postal Schemes as the standardised direct effect of this construct on Strength factor was 0.770, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_1 is accepted and concludes that SF1 (More Schemes) is a strength factor of Indian Postal Schemes.
H2: SF2 is a strength factor of Indian Postal Schemes
The results exhibited in Table 4 revealed that the regulatory construct SF2is a strength factor of Indian Postal Schemes as the standardised direct effect of this construct on Strength factor was 0.935, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_2 is accepted and concludes that SF2 (More employees to help in facilitating schemes) is a strength factor of Indian Postal Schemes.
H3: SF3 is a strength factor of Indian Postal Schemes
The results exhibited in Table 4 revealed that the regulatory construct SF3is a strength factor of Indian Postal Schemes as the standardised direct effect of this construct on Strength factor was 0.0.971, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_3 is accepted and concludes that SF3 (Quick Services) is a strength factor of Indian Postal Schemes.
H4: SF4 is a strength factor of Indian Postal Schemes
The results exhibited in Table 4 revealed that the regulatory construct SF4is a strength factor of Indian Postal Schemes as the standardised direct effect of this construct on Strength factor was 0.876, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_4 is accepted and concludes that SF4 (Good facilities to customers) is a strength factor of Indian Postal Schemes.

H5: SF5 is a strength factor of Indian Postal Schemes
The results exhibited in Table 4 revealed that the regulatory construct SF5is a strength factor of Indian Postal Schemes as the standardised direct effect of this construct on Strength factor was 0.831, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_5 is accepted and concludes that SF5 (Strong Network) is a strength factor of Indian Postal Schemes.
H6: SF6 is a strength factor of Indian Postal Schemes
The results exhibited in Table 4 revealed that the regulatory construct SF6is a strength factor of Indian Postal Schemes as the standardized direct effect of this construct on Strength factor was 0.769, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_6 is accepted and concludes that SF6 (Cost Effective) is a strength factor of Indian Postal Schemes.
H7: SF7 is a strength factor of Indian Postal Schemes
The results exhibited in Table 4 revealed that the regulatory construct SF7is a strength factor of Indian Postal Schemes as the standardized direct effect of this construct on Strength factor was 0.729, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_7 is accepted and concludes that SF7 (Security /Safety with respect to deposits) is a strength factor of Indian Postal Schemes.

H8: SF8 is a strength factor of Indian Postal Schemes
The results exhibited in Table 4 revealed that the regulatory construct SF8is a strength factor of Indian Postal Schemes as the standardized direct effect of this construct on Strength factor was 0.763, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_8 is accepted and concludes that SF8 (Efficient returns) is a strength factor of Indian Postal Schemes.

Chart 1



3.2 WEAKNESS FACTORS
H1: WF1 is a weakness factor of Indian Postal Schemes
H2: WF2 is a weakness factor of Indian Postal Schemes
H3: WF3 is a weakness factor of Indian Postal Schemes
H4: WF4 is a weakness factor of Indian Postal Schemes
H5: WF5 is a weakness factor of Indian Postal Schemes

Table 5 Model fit Indices for CFA – Weakness factor of Indian Postal Schemes

	χ^2	DF	P	Normed χ2	GFI	AGFI	NFI	TLI	CFI	RMR	RMSEA
Weakness Factors	8.177	1	.004	8.177	.996	.942	.997	.971	.997	.048	.092

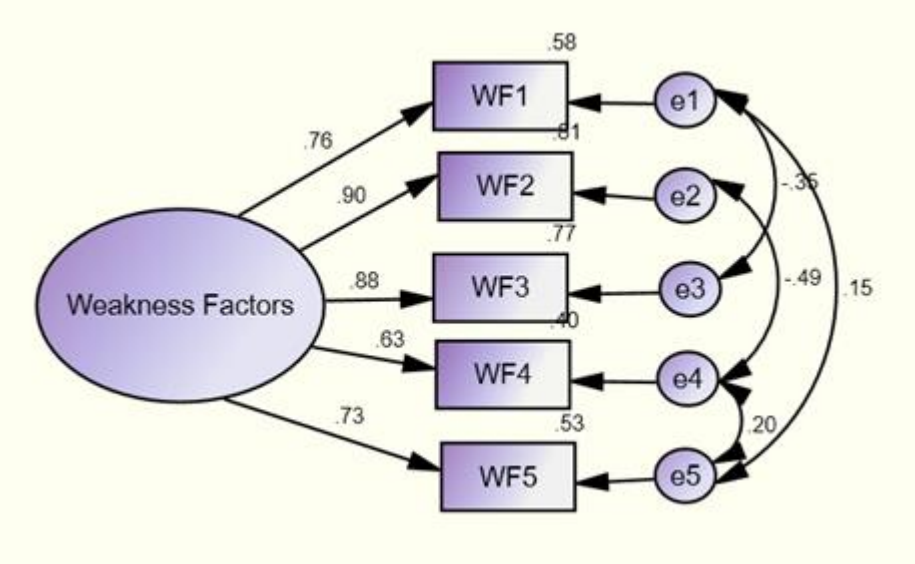
All the attributes loaded significantly on the latent constructs. The value of the fit indices indicates a reasonable fit of the measurement model with data. In Table 6 we present the regression coefficients

Table 6 The regression Coefficients - Weakness factor of Indian Postal Schemes

Factors/ Latent Variables (Dependent Variable)	Construct (Independent Variable)	Regression Coefficient	C.R.	P	Variance explained (%)
Weakness Factors	WF1	0.764	29.202	<0.001	58.4
	WF2	0.898	42.442	<0.001	80.9
	WF3	0.877	39.563	<0.001	76.9
	WF4	0.631	21.575	<0.001	39.8
	WF5	0.726	26.718	<0.001	52.6

H1: WF1 is a weakness factor of Indian Postal Schemes
The results exhibited in Table 6 revealed that the regulatory construct WF1is a weakness factor of Indian Postal Schemes as the standardised direct effect of this construct on weakness factor was 0.764, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_1 is accepted and concludes that WF1(No Advertisement) is a weakness factor of Indian Postal Schemes.
H2: WF2 is a weakness factor of Indian Postal Schemes
The results exhibited in Table 6 revealed that the regulatory construct WF2is a weakness factor of Indian Postal Schemes as the standardized direct effect of this construct on weakness factor was 0.898, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_2 is accepted and concludes that WF2(No Awareness) is a weakness factor of Indian Postal Schemes.
H3: WF3 is a weakness factor of Indian Postal Schemes
The results exhibited in Table 6 revealed that the regulatory construct WF3is a weakness factor of Indian Postal Schemes as the standardized direct effect of this construct on weakness factor was 0.877, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_3 is accepted and concludes that WF3(Unchanged working culture with staff) is a weakness factor of Indian Postal Schemes.
H4: WF4 is a weakness factor of Indian Postal Schemes
The results exhibited in Table 6 revealed that the regulatory construct WF4is a weakness factor of Indian Postal Schemes as the standardized direct effect of this construct on weakness factor was 0.631, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_4 is accepted and concludes that WF4(Job stress among employees) is a weakness factor of Indian Postal Schemes.
H5: WF5 is a weakness factor of Indian Postal Schemes
The results exhibited in Table 6 revealed that the regulatory construct WF5is a weakness factor of Indian Postal Schemes as the standardized direct effect of this construct on weakness factor was 0.726, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_5 is accepted and concludes that WF5(Low rate of interest on deposits) is a weakness factor of Indian Postal Schemes.

Chart 2



3.3 OPPORTUNITY FACTORS

H1: OF1 is an opportunity factor of Indian Postal Schemes
H2: OF2 is an opportunity factor of Indian Postal Schemes
H3: OF3 is an opportunity factor of Indian Postal Schemes
H4: OF4 is an opportunity factor of Indian Postal Schemes
H5: OF5 is an opportunity factor of Indian Postal Schemes
H6: OF6 is an opportunity factor of Indian Postal Schemes

Table 7 Model fit Indices for CFA – Opportunity factors of Indian Postal Schemes

	χ^2	DF	P	Normed χ^2	GFI	AGFI	NFI	TLI	CFI	RMR	RMSEA
Opportunity Factors	1.971	2	.373	.986	.999	.992	1.000	1.000	1.000	.011	.000

All the attributes loaded significantly on the latent constructs. The value of the fit indices indicates a reasonable fit of the measurement model with data. In Table 8 we present the regression coefficients

Table 8 The regression Coefficients - Opportunity factors of Indian Postal Schemes

Factors/ Latent Variables (Dependent Variable)	Construct (Independent Variable)	Regression Coefficient	C.R.	P	Variance explained (%)
Opportunity Factors	OF1	0.668	23.434	<0.001	44.6
	OF2	0.942	50.970	<0.001	88.7
	OF3	0.752	28.382	<0.001	56.6
	OF4	0.961	56.873	<0.001	92.4
	OF5	0.848	36.264	<0.001	71.9
	OF6	0.921	46.327	<0.001	84.9

H1: OF1 is an opportunity factor of Indian Postal Schemes
The results exhibited in Table 8 revealed that the regulatory construct OF1is an opportunity factor of Indian Postal Schemes as the standardised direct effect of this construct on opportunity factor was 0.668, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_1 is accepted and concludes that OF1(Offering schemes to rural and urban areas) is an opportunity factor of Indian Postal Schemes.
H2: OF2 is an opportunity factor of Indian Postal Schemes

The results exhibited in Table 8 revealed that the regulatory construct OF2 is an opportunity factor of Indian Postal Schemes as the standardised direct effect of this construct on opportunity factor was 0.942, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_2 is accepted and concludes that OF2(Post office saving schemes develop Indian economy) is an opportunity factor of Indian Postal Schemes.

H3: OF3 is an opportunity factor of Indian Postal Schemes

The results exhibited in Table 8 revealed that the regulatory construct OF3is an opportunity factor of Indian Postal Schemes as the standardised direct effect of this construct on opportunity factor was 0.752, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_3 is accepted and concludes that OF3(Fostering other competitors) is an opportunity factor of Indian Postal Schemes.

H4: OF4 is an opportunity factor of Indian Postal Schemes

The results exhibited in Table 8 revealed that the regulatory construct OF4is an opportunity factor of Indian Postal Schemes as the standardised direct effect of this construct on opportunity factor was 0.961, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_4 is accepted and concludes that OF4(More number of customers) is an opportunity factor of Indian Postal Schemes.

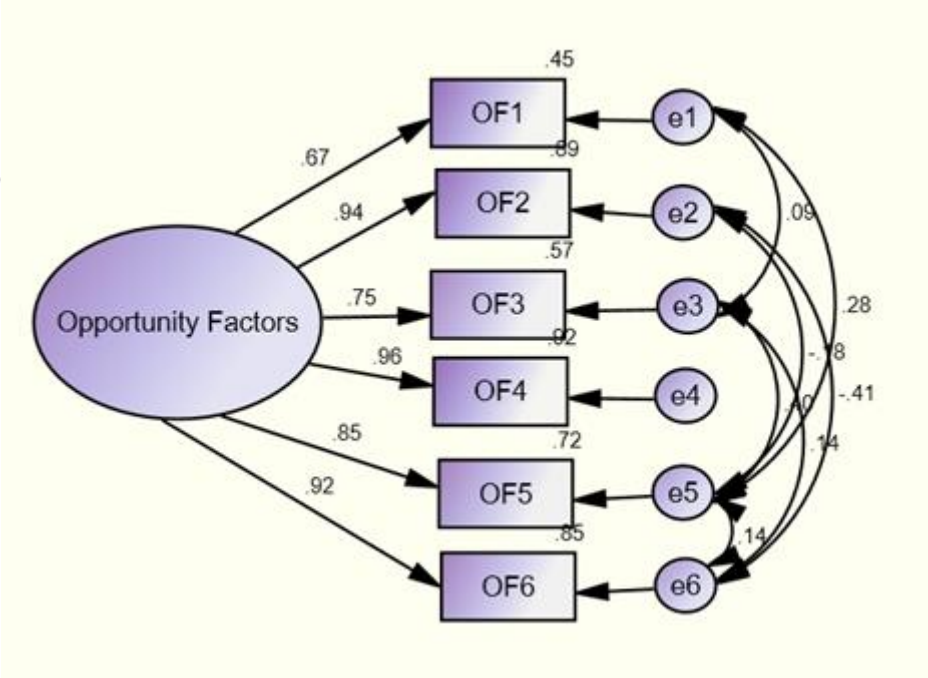
H5: OF5 is an opportunity factor of Indian Postal Schemes

The results exhibited in Table 8 revealed that the regulatory construct OF5is an opportunity factor of Indian Postal Schemes as the standardised direct effect of this construct on opportunity factor was 0.848, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_5 is accepted and concludes that OF5(Inflationary market) is an opportunity factor of Indian Postal Schemes.

H6: OF6 is an opportunity factor of Indian Postal Schemes

The results exhibited in Table 8 revealed that the regulatory construct OF6is an opportunity factor of Indian Postal Schemes as the standardised direct effect of this construct on opportunity factor was 0.921, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_6 is accepted and concludes that OF6(Technological advancement in reaching the benefits of schemes) is an opportunity factor of Indian Postal Schemes.

Chart 3



3.4 THREAT FACTORS

H1: TF1 is a threat factor for Indian Postal Schemes

H2: TF2 is a threat factor for Indian Postal Schemes

H3: TF3 is a threat factor for Indian Postal Schemes

H4: TF4 is a threat factor for Indian Postal Schemes

H5: TF5 is a threat factor for Indian Postal Schemes

Table 9 Model fit Indices for CFA – Threat factors for Indian Postal Schemes

	χ^2	DF	P	Normed χ2	GFI	AGFI	NFI	TLI	CFI	RMR	RMSEA
Threats Factors	.610	2	.737	.305	1.000	.998	1.00	1.002	1.000	.009	.000

All the attributes loaded significantly on the latent constructs. The value of the fit indices indicates a reasonable fit of the measurement model with data. In Table 10 we present the regression coefficients

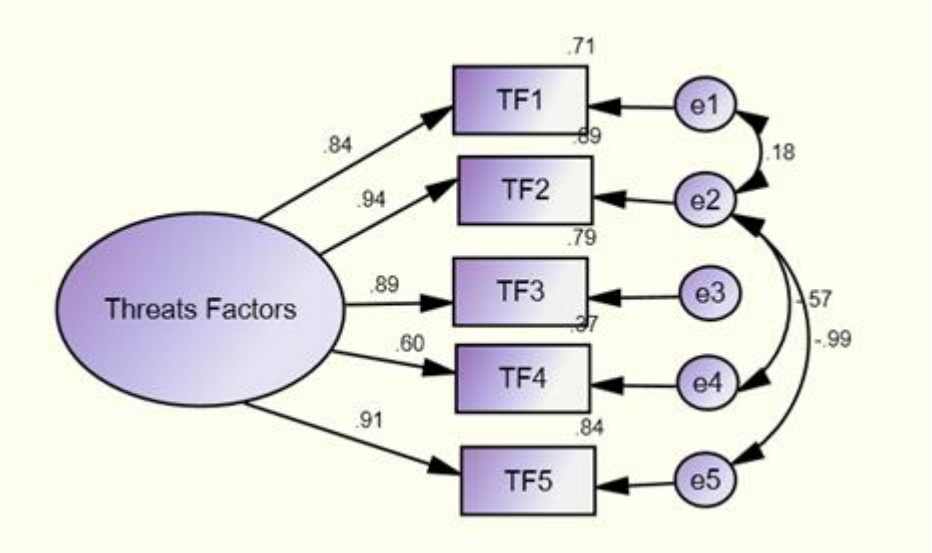
Table 10 The regression Coefficients - Threat factors for Indian Postal Schemes

Factors/ Latent Variables (Dependent Variable)	Construct (Independent Variable)	Regression Coefficient	C.R.	P	Variance explained (%)
Threat Factors	TF1	0.845	35.956	<0.001	71.4
	TF2	0.943	51.230	<0.001	88.9
	TF3	0.887	40.871	<0.001	78.7
	TF4	0.604	20.307	<0.001	36.5
	TF5	0.915	45.219	<0.001	83.7

H1: TF1 is a threat factor for Indian Postal Schemes
The results exhibited in Table 10 revealed that the regulatory construct TF1is a threat factor for Indian Postal Schemes as the standardised direct effect of this construct on threat factor was 0.845, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_1 is accepted and concludes that TF1 (Mutual Fund schemes) is threat factor for Indian Postal Schemes.
H2: TF2 is a threat factor for Indian Postal Schemes
The results exhibited in Table 10 revealed that the regulatory construct TF2is a threat factor for Indian Postal Schemes as the standardised direct effect of this construct on threat factor was 0.943, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_2 is accepted and concludes that TF2 (Insurance schemes) is threat factor for Indian Postal Schemes.
H3: TF3 is a threat factor for Indian Postal Schemes
The results exhibited in Table 10 revealed that the regulatory construct TF3is a threat factor for Indian Postal Schemes as the standardised direct effect of this construct on threat factor was 0.887, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_3 is accepted and concludes that TF3 (Banking schemes) is threat factor for Indian Postal Schemes.
H4: TF4 is a threat factor for Indian Postal Schemes
The results exhibited in Table 10 revealed that the regulatory construct TF4is a threat factor for Indian Postal Schemes as the standardised direct effect of this construct on threat factor was 0.604, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_4 is accepted and concludes that TF4 (Customer dissatisfaction) is threat factor for Indian Postal Schemes.

H5: TF5 is a threat factor for Indian Postal Schemes
The results exhibited in Table 10 revealed that the regulatory construct TF5is a threat factor for Indian Postal Schemes as the standardised direct effect of this construct on threat factor was 0.915, which is greater than the recommended value of 0.4 (p value significant). So the hypothesis H_5 is accepted and concludes that TF5 (Increasing share of competitors) is threat factor for Indian Postal Schemes.

Chart 4



4. CONCLUSIONS

This research was undertaken with the primary objective of Post Office Savings Bank – A Post Office Savings Bank operates through the counters of post offices and has a very large network of outlets; it does not offer credit but only takes deposits and provides money transfer services. A surplus of deposits is generally invested in Government securities or simply transferred to the treasury. Most of the post office savings banks are part of the postal administration of the country.

With a few exceptions, Post Office savings banks are in poor shape, both financially and operationally. Their financial situation is poor as they have to deposit their net sums in the treasury, which often does not want to acknowledge its deposits to the Post Office Savings Banks.

5. SCOPE FOR FURTHER RESEARCH

Although data collection in this research was based on questionnaire which the customers and no- customers of Post Office Savings Bank responded to, it is recommended that in future studies, other tools be used such as structured interviews and observations in order to study and investigate the variables.

This research is focused on Strength, Weakness Opportunity and Threat Factors. Future research can determine profitability for post office savings scheme.

Also it is recommended, that future research shall use observation methods or interviews with experts in order to identify, measure and prioritize the indices (indicators) for measuring the variables.

In this research for SEM the recommended value is 0.4 (p value significant). Further research can be conducted with a different p value.

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