

A Study on Employees INS and OUTS for Non-Awareness of E-Banking

Dr.Anitha.G, Associate Professor, Maharaja Agrasen Institute of Management Studies, New Delhi, India. jovichari2020@gmail.com

ABSTRACT - The economic opulence of a country is greatly influenced by various aspects like the operational efficiency, productivity and financial performance of industrial sector, efficiency and varieties of services in service sector. The real strength of economy lies on service sector and banking sector in particular. The banking and finance sector has perceived a major setback in recent days in terms of their financial performance. India, a fast-growing economy is not an exception to the agony of recession. However, the effective and timely prescriptions like Financial Stimulus Packages taken by Reserve Bank of India and Ministry of Finance saved the Indian Economy and Banking sector from the meltdown shock and repercussion. E- Banking is scattering hastily in nationalized and old sector bank. The banking sector has not been immune to the impact of this digital revolution. The banking transactions that are executed through electronic devices and over the internet are termed electronic banking.

Keywords: Service Sector - Electronic Banking - Nationalized Banks – Old Private Sector Banks - Awareness - Employee satisfaction.

I. INTRODUCTION

E –Banking is spreading rapidly in public and private sector banks of India. They are delivering their traditional products as well as designing and developing new products to encourage customer participation in e-commerce. However, it poses challenges as well as opportunities. The basic purpose of the study is to understand banker's perspective on e-banking and the reasons for non-awareness of E-Banking based services and its efficacy.

II. REVIEW OF LITERATURE:

Lisa Nicholas (2006) supported that it was important to remember that CRM was a program that touches all areas of the organization and as long as the organization understood that it took time, resources, and talented employees to build a successful CRM program then would be better off. Over the next few years, it would be interesting to watch the CRM providers integrate the digital age of mobile banking and other digital marketing trends. One of the most difficult areas for financial institutions would be integrating all the channels and information into a system that could output a more dynamic relationship pricing model that benefits the organization and the customer.

Bohlinget (2006) developed number of criteria to implement CRM successfully which were divided into three main groups: project focused, internally oriented metrics, employees' adoption, externally oriented metrics, customer satisfaction and loyalty. According to the results of a study of the CRM-implementation at 100 firms who were active in different area of industry such as: manufacturing,

communication, financial and so on.

Bargal Hitendra and Sharma Ashish (2008) added that banks would have to adopt diversified services, opened their branches at the shopping centers, install their web system, implement proper training system, define high performance system to improve the behavior of the employees, offer proper customer complaint system and performance-based appraisal system to improve the overall services of the banks. Customers played an important role in the selection of a particular bank. Proper customer care, number of years in business and easy accessibility were considered as the important factors that influence a customer's choice of a bank

III. OBJECTIVE OF THE STUDY

Though there are many studies identifying the employee's perception towards the various reasons for non-awareness on e-banking. Hence this study was conducted with the following objectives.

1. To identify the problems faced by employees while using E-banking services.
2. To determine the level of utilization of e-banking among the Employees.
3. To examine the factor influences in employee's awareness of E-Banking Services

HYPOTHESIS OF THE STUDY:

Ho: There is no significant relationship among the bank employees in their awareness towards selected banks.

Ho: There is no significant among employee's performance of selected banks

IV. METHODOLOGY OF THE STUDY

The present study is Qualitative in approach. The instrument has been created by including 10 statements pertaining to the various dimensions.

SAMPLE SELECTION:

The researcher wanted to examine various e-banking benefits derived by the customers by considering various e-CRM activities. The researcher has selected 6 customers from 1.Public Sector Banks 2. Private Sector Banks 3. New Private Sector Banks 4. Old Private Sector Banks and 5. Foreign Banks. Thus, by combining all these banks a total of 30 respondents were included in the study and the researcher has adopted snow ball sampling technique to collect and record the opinions of the customers.

STATISTICAL TOOL:

The researcher has applied factor analysis for analyzing and drawing meaningful inferences from the opinion/benefits derived from e-CRM. SPSS Version 23.0 has been applied to analyze the data.

- Study Design: Descriptive study design was used to fulfill the objectives.
- Study Area: Study was conducted in Zone Wise Division of Coimbatore City.
- Study Population: All those Employees who are working in a bank.
- Sampling Techniques: Bank Employees were included with the main motive of collecting information about e- banking. So, this was a Systematic sampling.
- Sample Size: 400 Bank Employees were included in this study taking representative Zone Wise Division of Coimbatore City.
- Data Collection Tools and Technique: Questionnaire was the main tool which was used to collect the pertinent data from the selected 400 Employees.
- Validity and Reliability: The total correlation was considered to be one of the methods available to test construct validity. It measures the internal consistency of the measuring instrument. The cronbatch's alpha was used to measure the reliability coefficient. For reliability coefficient values, it was suggested that 0.70 is the minimum requirement for basic research.
- Statistical Analysis: Data entry and analysis was done in SPSS version 23.0. In order to test the statistical significance of Factor Analysis and Hypothesis Testing was applied.

Table No: 1 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.755
Bartlett's Test of Sphericity	Approx. Chi-Square	2095.832
	Df	45
	Sig.	.000

Table No: 2 Communalities

	Initial	Extraction
Lack of awareness of internet banking and its benefits	1.000	.661
Lack of dedicated, unchallenged consumer internet access	1.000	.751
Restrictive Workplace Access	1.000	.564
Lack of Internet confidence	1.000	.799
Competition with phone banking	1.000	.558
Difficult initial set up Procedure	1.000	.559
Difficult to use	1.000	.790
Lack of Trust, Security and Privacy risks	1.000	.670
Inadequate knowledge and support	1.000	.442
Women's concerns	1.000	.476
Extraction Method: Principal Component Analysis.		

Table No: 3 Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.119	51.188	51.188	5.119	51.188	51.188	3.678	36.777	36.777
2	1.151	11.509	62.697	1.151	11.509	62.697	2.592	25.920	62.697
3	.985	9.846	72.543						
4	.859	8.592	81.135						
5	.586	5.864	86.999						
6	.491	4.906	91.905						
7	.381	3.812	95.717						
8	.213	2.125	97.842						
9	.132	1.319	99.161						
10	.084	.839	100.000						
Extraction Method: Principal Component Analysis.									

Table No: 4 Component Matrix^a

	Component	
	1	2
Lack of dedicated, unchallenged consumer internet access	.856	
Difficult to use	.840	
Lack of awareness of internet banking and its benefits	.804	
Lack of Internet confidence	.723	.525
Lack of Trust, Security and Privacy risks	.714	
Women's concerns	.676	
Inadequate knowledge and support	.657	
Difficult initial set up Procedure	.651	
Restrictive Workplace Access	.648	
competition with phone banking	.518	.538
Extraction Method: Principal Component Analysis.		
a. 2 components extracted.		

Table No: 5 Rotated Component Matrix^a

	Component	
	1	2
Lack of Internet confidence	0.855	
Difficult to use	0.845	
Lack of Trust, Security and Privacy risks	0.811	
competition with phone banking	0.741	
Difficult initial set up Procedure	0.741	
Lack of awareness of internet banking and its benefits		0.716
Restrictive Workplace Access		0.694
Lack of dedicated, unchallenged consumer internet access		0.626
Women's concerns		0.621
Inadequate knowledge and support		0.583
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.		
a. Rotation converged in 3 iterations.		

Table No: 6 Clustering of Inducing Variables into Factors

Factor	Inducing Variable	Rotated factor loadings
I (36.777) Confidence	Lack Of Internet Confidence X4	0.855
	Difficult To Use X7	0.845
	Lack Of Trust, Security and Privacy Risks X8	0.811
And		

Trust	Competition With Phone Banking X5	0.741
	Difficult Initial Set Up Procedure X6	0.741
II (62.697)	Lack Of Awareness Of Internet Banking And Its Benefits X1	0.716
	Restrictive Workplace Access X3	0.694
Awareness	Lack Of Dedicated, Unchallenged Consumer Internet Access X2	0.626
And		
Knowledge	Women's Concerns X10	0.621
	Inadequate Knowledge and Support X9	0.583

In this table two factors were identified as being maximum percentage variance accounted. The variable X4, X7, X8, X5 and X6 constitutes factor I and it accounts for 36.777 per cent of the total variance. The variable X1, X3, X2, X10 and X9 constitutes factor II and it accounts for 62.697 per cent of the total variance:

CONFIDENCE AND TRUST:

The greatest weakness among the E-CRM initiatives was the lack of trust over the usage interest confidence, security and privacy risks. In addition, the customers were not able to cope with the various new applications of phone banking services.

AWARENESS & KNOWLEDGE:

The customers are getting lack of awareness over internet banking, knowledge towards various e-banking services.

The following section explains the association between the cluster groups formed and the demographic variables of the customer.

Table No: 7 Significant difference between confidence and trust and demographic profile

H0: There is no significant difference between confidence and trust the bank in which the employee is employed, gender, age, monthly income, educational background, designation.

Ha : There is significant difference between confidence and trust and the bank in which the employee is employed, gender, age, monthly income, educational background, designation.

	Source of variance	Sum of Squares	Mean Square	F	Sig.	Result
Type of Bank	Between Groups	4.219	2.109	10.551	.047	Non-Significant
	Within Groups	63.378	.200			
	Total	67.597				
Gender	Between Groups	8.614	4.307	4.654	.010	Non-Significant
	Within Groups	293.373	.925			

	Total	301.988				
Age	Between Groups	1.166	.583	.443	.643	Non-Significant
	Within Groups	417.522	1.317			
	Total	418.687				
Monthly Income	Between Groups	2.155	1.078	2.827	.061	Non-Significant
	Within Groups	120.845	.381			
	Total	123.000				
Educational Background	Between Groups	4.379	2.190	12.057	.007	Non-Significant
	Within Groups	57.571	.182			
	Total	61.950				
Designation	Between Groups	6.187	3.094	4.780	.009	Non-Significant
	Within Groups	205.160	.647			
	Total	211.347				
	Within Groups	95.535	.301			
	Total	96.747				

Source: Computed from primary data. Level of Significance: 5 percent.

As the values are resulting in high significant the hypothesis is rejected and it is concluded that there is significant difference between confidence and trust and the bank in which the employee is employed, gender, age, monthly income, educational background, designation.

Table No: 8

Significant difference between awareness and knowledge and demographic profile H₀: There is no significant difference between awareness and knowledge and the bank in which the employee is employed, gender, age, monthly income, educational background, designation.

H_a: There is significant difference between awareness and knowledge and the bank in which the employee is employed, gender, age, monthly income, educational background, designation.

	Source of variance	Sum of Squares	Mean Square	F	Sig.	Result
Type of Bank	Between Groups	12.230	6.115	35.010	.075	Non-Significant
	Within Groups	55.367	.175			
	Total	67.597				
Gender	Between Groups	35.468	17.734	21.093	.025	Non-Significant
	Within Groups	266.520	.841			
	Total	301.988				
Age	Between Groups	46.071	23.035	19.597	.014	Non-Significant
	Within Groups	372.617	1.175			
	Total	418.688				
Monthly	Between Groups	4.818	2.409	6.461	.014	Non-Significant

Income	Within Groups	118.182	.373			
	Total	123.000				
Educational Background	Between Groups	.287	.143	.737	.479	Non-Significant
	Within Groups	61.663	.195			
	Total	61.950				
Designation	Between Groups	5.187	2.593	3.988	.019	Non-Significant
	Within Groups	206.160	.650			
	Total	211.347				
	Within Groups	94.218	.297			
	Total	96.747				

Source: Computed from primary data. Level of Significance: 5 percent.

As the values are resulting in high significant the hypothesis is rejected and it is concluded that there is significant difference between awareness and knowledge and the bank in which the employee is employed, gender, age, monthly income, educational background, designation.

Table No: 9 AGREEABILITY TOWARDS THE REASONS FOR NON-AWARENESS ON E-BANKING

S.No	Cluster Group	Nationalized Bank			Old Private Sector Bank		
		Low	Medium	High	Low	Medium	High
1.	Confidence and Trust	21 (10.0)	154 (73.0)	36 (17.1)	10 (9.2)	82 (75.2)	17 (15.6)
2.	Awareness and Knowledge	28 (13.3)	148 (70.1)	35 (16.6)	15 (13.8)	78 (71.6)	16 (14.7)

Table 9 explain the employee's non-awareness reason on E-Banking was understood that the factors viz., confidence and trust have been acquired with medium level of awareness in case of nationalized and old private sector bank.

V. FINDINGS

- The values are resulting in high significant the hypothesis is rejected and it is concluded that there is significant difference between confidence and trust and the bank in which the employee is employed, gender, age, monthly income, educational background, designation.
- As the values are resulting in high significant the hypothesis is rejected and it is concluded that

there is significant difference between awareness and knowledge and the bank in which the employee is employed, gender, age, monthly income, educational background, designation.

- The employee's non-awareness reason on e-banking was understood that the factors viz., confidence and trust have been acquired with medium level of awareness in case of nationalized and old private sector bank.

VI. CONCLUSION

It is concluded from the above study that there are many teething issues related to technology implementation in the banking sector. The banks have earmarked budgets for employee training and development and have set up dedicated training centre but there is a gap between management view and employee's views as elucidated in the discussion. In the era of increased competition, it is important for banks to have efficient manpower who can keep pace with changing times. Training is an important sub-system in the banking organizational system, which has its prime objective of the development of employees at all levels, for contributing towards banking effectiveness. The study also recommends that the banks ought to make it possible for employees to be creative in their functions so as to have a competitive edge through creation of innovative services (financial) leading to increased financial performance and growth of the sector hence improved employee productivity.

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