

## BANKS: AN EMPIRICAL STUDY ON TWO MAJOR PRIVATE BANKS

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Ajay Kumar Ganguly\*

### ABSTRACT

*With the recent advancement and adoption of state of the art mobile and internet technologies in different banks, the financial sector specially banking industry has undergone massive changes all over the world. The technological waves are reshaping the total banking landscape and the environment of the banking sector has gradually become highly aggressive today in Indian context also. The present research paper mainly focuses on the employees' [of the banking industry] perception towards the adoption of new internet and mobile technologies in banks. The paper is mainly designed to evaluate the awareness level of the technologies offered by the banking sector and overall perception of employees on these technological offerings. The paper also tries to exhibit the employees' perception on technological adoption in the banking sector. A well-structured questionnaire has designed and an extensive survey was undertaken among 100 employees of ICICI Bank & Axis Bank of North 24 Parganas District of West Bengal. Some useful, relevant descriptive statistics is used in this study. On the basis of this study, it is found that, almost all the employees, of these two Private Banks, found the overall performance of tech-banking as satisfactory.*

**Keywords:** Tech-Banking, Internet & Mobile Banking Technology, Employee Perception.

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### Introduction

Internet and Mobile Technology has been in a decisive moment in the Indian Banking Industry. It is a wild perception among the general mass that the technological advancement in the banking sector has reduced the work load of the employees of Banking Sector. However, there is different opinion of the bank employees. The increasing dependency on internet and mobile technology has brought additional challenges in managing and optimizing performance level in retail banking scenario. The growth and globalization of Indian economy has exerted tremendous pressure on customer oriented business development in Indian banks. With the spontaneous and continuous emergence of newly invented technologies, the pressure for individuals to accomplish work task or to timely-response to work inquiries is constantly increasing. It is faster to generate reports due to technological advancement and hence the managements' expectations increases with shorter deadlines. This Paper is mainly envisaging on two major private Banks ICICI Bank Ltd and Axis Bank Ltd. who are forerunner of adopting various consumer driven technologies. They are known as trend setters in introducing various tech-products in the banking industry, such as Mobile app oriented electronic passbook, bank account opening, unified payment interface app etc. in Indian banking history. Therefore it is essential to evaluate the perception of employees of such a banks – their responsibilities, their trouble shooting experiences, their customer orientation.

### Review of Literature

Review of previous studies of different researchers validates the present study by indicating the gaps in those studies and gaining an insight for conducting this study.

**Kaur, Rimpi (2010)**, enumerate the perception of different bank employees regarding the use of various retail products or services, their delivery channels and their acceptability in the area of urban Punjab. Results reveals that the employees are more or less satisfied with working through e-channels. The results also reveal that employees face some problems regarding lack of knowledge, fear of insecurity while dealing with customers.

**Arasada Prameela (2013)**, try to trace the deployment of technology in different banking sector and try to evaluate the perception of employees in banks. The findings of the research study revealed that the banking employees try to accept the challenges of e-banking procedure in a very sincere and dedicated manner with an expectation of extra incentives.

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\* Research Scholar, University of Engineering and Management, Kolkata, W.B., India.

**Sathyanarayana (2013)**, conducted an analytical study to evaluate the level of growth of e-banking operations and tries to identify the key challenges faced by the customers and employees in respect of technology adoption in banking. It was found that the major problem faced in e-banking operation is security problem. It was also inferred that private sector bank employees are more satisfied in the implementation of e Banking procedures.

**Jameela, Salma (2016)**, conducted a study to determine the employees' perception of technology adoption of SBT in Palakkad district. The study indicated that electronic banking has greater advantage to attract young customers than the age-old.

**Diksha Gupta (2017)**, evaluate the attitude of bank employees towards internet banking and concluded that the employees of banks have taken a internet banking as a competitive edge and it has resulted in increased employee morale and productivity, branch productivity vis-a-vis bank's productivity.

**Shiva Prasad, Umesh (2018)**, jointly studied the relation between technological awareness, job stress and satisfaction level after implementation of internet banking in co-operative banks. The study reveals that technological awareness has a direct relationship with job satisfaction but inversely related with job stress. The research study thus inferred that, when an employee is technologically aware, the internet banking implementation increases his job satisfaction but reduces his job stress.

### **Significance of the Study**

Innovation has been assuming a significant job in the financial division. Ensuing to the appropriation of innovation in banks, numerous examinations have been directed from the view purpose of clients. In any case, the quantity of studies focusing on the bank employees are moderately little because of the discernment among the overall population that mechanical progression is especially positive for bank employees. Anyway the bank employees all in all opine in an unexpected way. It is in this manner essential to learn about the selection of banking innovation from the employees' point of view.

### **Proclamation of the Problem**

Innovation is currently a main thrust in the financial business. It makes an unpredictable and serious work environment in banks prompting insuperable work pressure among the representatives. Technological innovation has changed the workplace of bank representatives or employees. In light of various segment and business factors, the probability of the workforce to get changed in accordance with innovation may shift. This Paper is an endeavor to comprehend the discernment level of a cross area of two major private Banks ICICI Bank Ltd and Axis Bank Ltd. employees in assigned area out of sight of innovative technological progression in the bank.

### **Objectives of the Study**

- To examine bank employees perceptions in accordance with job satisfaction, job stress and Technological awareness or computer and internet literacy after implementation of e-banking i.e. internet and mobile banking technology.
- To explore whether bank employees perceptions are linked with their demographic profile.

### **Methodology**

This study is restricted to two major private banks i.e . ICICI Bank LTD. and Axis Bank Ltd. employees in 24 Parganas [North] district of West Bengal which may be perceived as a semi-urban area and adjacent to the metropolitan city Kolkata.

#### **Data Collection**

In this study, data were collected from primary sources and secondary sources. A well structured questionnaire has been designed to collect the primary data. To collect the secondary data, different related books, research papers, journals and online sources were referred.

#### **Sampling Design**

Stratified Random Sampling is the sampling method of this study. ICICI and Axis Banks have been decided for this examination as they are the biggest technically & mechanically propelled banks in India. 24 Parganas [North] district of West Bengal was chosen for the investigation dependent on the biggest grouping of parts of these two private banks. The essential information was gathered from 100 representatives [or employees] of ICICI & Axis Bank in the assigned region.

#### **Tools of Analysis**

The data was collected through proper questionnaire and the data was sorted out, ordered and analyzed deliberately utilizing some significant measurable statistical tools.

- **Statistical Tools for Data Analysis**

The responses were validated and filtered, and then analysed using SPSS packages with Chi-Square with p-values with Measures of Central Tendency and Standard Deviation Methods.

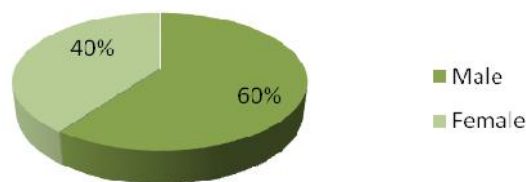
**Data Analysis**

- **Demographic Analysis**

**Table 1: Gender wise Respondent summary**

Gender	Frequency	Percent
Male	60	60%
Female	40	40%
<b>Total</b>	100	100%

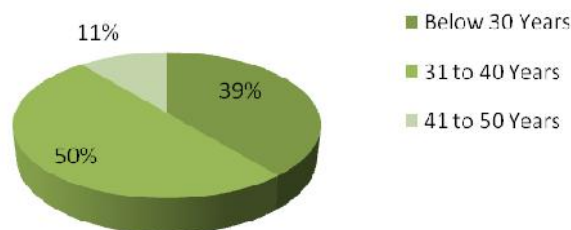
#Source : Primary Data



**Table 2: Age wise Respondent Summary**

Age	Frequency	Percent
Below 30 Years	39	39%
31 to 40 Years	50	50%
41 to 50 Years	11	11%
<b>TOTAL</b>	100	100.0

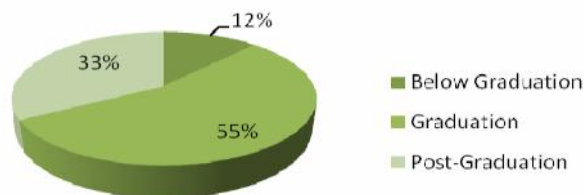
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**Table 3: Education wise Respondent summary**

Education	Frequency	Percent
Below Graduation	12	12%
Graduation	55	55%
Post-Graduation	33	33%
<b>Total</b>	100	100.0

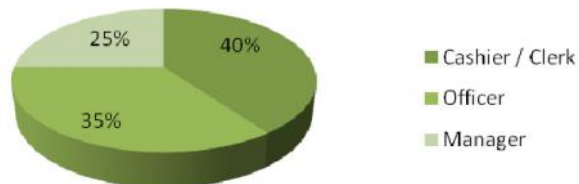
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**Table 4: Designation wise Respondent Summary**

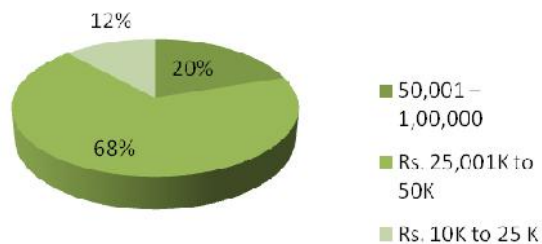
Designation	Frequency	Percent
Cashier / Clerk	40	40%
Officer	35	35%
Manager	25	25%
TOTAL	100	100.0

#Source : Primary Data

**Table 5: Monthly Income Wise Respondent Summary**

Monthly Income	Frequency	Percent
50,001 – 1,00,000	20	20%
Rs. 25,001 to 50K	68	68%
Rs.10K to 25 K	12	12%
TOTAL	100	100.0

#Source : Primary Data



- Technological Knowledge of Employees**

**Table 6: Technological Knowledge level of Employees**

Description	Yes	No	Mean	Std.Dev	Variance	Skewness
Are you Computer Literate: [Formal Education]?	73	27	1.27	0.446	0.199	(1.052)
Do you think computer literacy increase the proficiency of working in the banking scenario	94	6	1.06	0.239	0.057	(3.762)

**Hypothesis A:**

**H<sub>0</sub>:** There is no difference between formal Computer Literacy and the proficiency of working in the recent technology oriented banking scenario

**H<sub>A</sub>:** There is a real significant difference.

**Results**

- Statistical Inference:** A) Difference: -0.210; B) Standard Error: 0.052; C) 95% CI: -0.3098 to -0.1102; D) t-Statistic : -4.150; E) DF: 198; F) p<0.05
- Inference:** Here p- Value is the less than 0.05 [p<0.05] so we reject the null hypothesis and could infer that there is a significant difference between formal computer literacy and the proficiency[efficiency] of working in the banking scenario.

### Factors Affecting Job Stress and Job Satisfaction & Influence of Technological Adoption on Job Stress & Job Satisfaction Scenario

**Table 7: Factors affecting Job Stress and Job Satisfaction**

		Factors increasing Job Satisfaction								
	Factors	Strongly Dis Agree	Dis Agree	Neutral	Agree	Strongly agree	Mean	Std. Deviation	Variance	Median
U1	Reduced workload after implementation of Mobile and Internet Banking System	05	03	69	20	03	3.14	0.725	0.520	3
U2	Increases the speed of the work	03	04	18	70	05	3.81	0.544	0.294	4
U3	Minimization of Error	09	19	23	46	03	3.14	1.044	1.080	3
U4	Reduced complaints	20	40	20	11	09	2.49	1.193	1.4099	2
U5	Reduced stress	25	25	30	17	3	2.47	1.114	1.2291	2.5
00	Your bank has adopted state of the art technologies	00	00	00	20	80	4.8	0.402	0.16	5

#### Hypothesis 1

**H<sub>0</sub>:** There is no relation between reduction of workload and adoption of technologies in the recent technology driven banking scenario

**H<sub>1</sub>:** There is a real significant relation.

- **Statistical Inference:** A) Difference: 1.660; B) Standard Error: 0.083; C) 95% CI: 1.4965 to 1.8235; D) t-Statistic : 20.024; E) DF: 198; F)  $p < 0.05$
- **Inference:** Thus Null Hypothesis is rejected and it has been established that by adopting technologies the workload of the employees has been reduced in present technology driven banking Scenario.

#### Hypothesis 2:

**H<sub>0</sub>:** There is no relation between Speed of the Work and adoption of technologies in the recent technology driven banking scenario

**H<sub>2</sub>:** There is a real significant relation.

- **Statistical Inference:** A) Difference: 0.990; B) Standard Error: 0.068; C) 95% CI: 0.8566 to 1.1234; D) t-Statistic: 20.024; E) DF: 198; F)  $p < 0.05$
- **Inference :** Here  $p$ - Value is the less than 0.05 [ $p < 0.05$ ]. Thus Null Hypothesis is rejected and it has been established that by adopting technologies the speed of the work of the bank employees has been increased in present technology driven banking Scenario.

#### Hypothesis 3

**H<sub>0</sub>:** There is no relation between minimization of error and adoption of technologies in the recent technology driven banking scenario

**H<sub>3</sub>:** There is a real significant relation.

- **Statistical Inference:** A) Difference: 1.660; B) Standard Error: 0.112; C) 95% CI: 1.4394 to 1.8806; D) t-Statistic: 14.838; E) DF: 198; F)  $p < 0.05$
- **Inference :** Here  $p$ - Value is the less than 0.05 [ $p < 0.05$ ]. Thus Null Hypothesis is rejected and it has been established that by adopting technologies the working error has been minimized of the bank employees has been increased in present technology driven banking Scenario.

#### Hypothesis 4

**H<sub>0</sub>:** There is no relation between reduction of complain of the customers and adoption of technologies in the recent technology driven banking scenario

**H<sub>4</sub>:** There is a real significant relation.

- **Statistical Inference:** A) Difference: 2.310; B) Standard Error: 0.126; C) 95% CI: 2.0617 to 2.5583; D) t-Statistic : 18.349; E) DF: 198; F)  $p < 0.05$
- **Inference:** Here  $p$ - Value is the less than 0.05 [ $p < 0.05$ ]. Thus Null Hypothesis is rejected and it has been established that by adopting technologies the complain of the customer has been minimized in present technology driven banking Scenario.

#### Hypothesis 5

**H<sub>0</sub>:** There is no relation between reduction of stress in the workplace and adoption of technologies in the recent technology driven banking scenario.

**H<sub>5</sub>:** There is a real significant relation.

- **Statistical Inference:** A) Difference: 2.330; B) Standard Error: 0.118; C) 95% CI: 2.0965 to 2.5635; D) t-Statistic : 19.674; E) DF: 198; F)  $p < 0.05$
- **Inference:** Here  $p$ - Value is the less than 0.05 [ $p < 0.05$ ]. Thus Null Hypothesis is rejected and it has been established that by adopting state of the art technologies in the banking sector [Pvt.] the work stress of the employees has been reasonably reduced in present technology driven banking Scenario.

**Table 8: Employees' Demographic Analysis  
[Considering Gender, Age, Education, Monthly Income and Designation]**

Demo-graphy	Options	Freq.	U1		U2		U3		U4		U5	
			2	p-value	2	p-value	2	p-value	2	p-value	2	p-value
Gender	Male	60	10.431	0.0337 [S]	1.210	0.8764 [NS]	1.9218	0.7501 [NS]	9.6138	0.0474 [S]	15.4837	0.00379 [S]
	Female	40										
Age	Below 30 Years	39	26.548	0.0008 [S]	16.988	0.0302 [S]	7.1001	0.5287 [NS]	15.6251	0.0480 [S]	7.0048	0.5361 [NS]
	31 to 40 years	50										
	41 to 50 years	11										
Education	Below Graduation	12	6.320	0.6114 [NS]	6.804	0.5579 [NS]	6.1462	0.6308 [NS]	8.175	0.4165 [NS]	3.8487	0.8705 [NS]
	Graduation	55										
	Post-Graduation	33										
Monthly Income	Rs. 50,001 TO 1Lakh	20	9.628	0.2920 [NS]	8.296	0.4050 [NS]	42.0107	<0.00001 [S]	9.932	0.2698 [NS]	5.07	0.7500 [NS]
	Rs.25,001 to 50K	68										
	Rs. 10K to 25 K	12										
Designation	Cashier / Clerk	40	10.725	0.2117 [NS]	16.476	0.0360 [S]	5.9351	0.6545 [NS]	5.6747	0.68362 [NS]	5.5932	0.69268 [NS]
	Officer	35										
	Manager	25										

#### Interpretation

- At 5% significance level, The Gender difference is very significant in case of the employees [assigned private banks employees] reduction of workload, reduction of stress and consistency of work which reduces the number of complains.
- At 5% significance level, the Age difference is very significant in case of the employees [assigned private banks employees] reduction of workload, consistency of work which reduces the number of complains and increasing the speedy work by induction of latest technologies in the banking sector specially assigned two private bank i.e. ICICI Bank Ltd and Axis Bank Ltd.
- At 5% significance level, the difference of educational level is not at all significant in the resultant effect of the Bank employees different satisfaction criteria.
- At 5% significance level, the difference of monthly income is very significant in case minimization of error after implementation of technologies in the Banking Sector specially the two assigned private banks.
- At 5% significance level, the difference of Designations are significantly attributable in case of Speed of the work and resolving the problems in the Banking Sector specially the two assigned private banks.

#### Observational and Statistical Findings

- The use of mobile and internet technology in private sector bank specially ICICI and Axis Bank Ltd. in the assigned region is commensurate with the new technological adoption of these banks. The employees are aware about the benefits of these services try to convince the consumers to avail the benefits of the technology.
- Employees should be properly trained & educated about the mechanism of using these services otherwise some sort of irregularities of services arises due to technical incompetencies.
- For adoption of banking innovation, it is important that the banks offering this administration make the employees mindful about the accessibility of such a help and clarify how it increases the value of their satisfaction and reduce the stress.
- There is immediate need to use e-banking to be employee friendly and to focus only on building the brands on the basis of competitive edge of consumer inclination and trust.
- ICICI, and Axis Bank employees are dynamic and sincere in dealing with the mind boggling issues identified with protection, security, respectability of information and speculation related angles. Employees are proactive and receptive in security related parts of client and this assistance in expanding fulfillment and trust among clients. The client trust bank as they keep up security of information and data.

### Conclusions

This paper observes to evaluate the perception of banking employees concerning the effect of technological adoption and improvements on banking services. The dependency on facts generation and technology adoption has elevated steadily for banking sectors specially in private banking sector as a strategically important competitive advantage. With extended level of globalization, privatization and new reforms of the Indian banking sector, competition in the marketplace is increasing in a day to day extent. If the banks apprehend the marketplace dynamics & threats it could increase their dynamism and consumer drivenness of their functioning and responses to the marketplace needs. In the near future, technology in banking sector can have a rich time in advance and can reach to first-rate heights. The Bank employees are happy with innovation as they are eager to become familiar with the new innovations with a great sincerity. This will build their exhibition level. They tend to keep refreshed with innovations as it causes them to turn into an expert in their own field. They show an inspirational disposition towards innovation as it obliged their work and made it easy and encourages them to complete their work in time. On the off chance that association isn't compelling his workers in refreshing his aptitudes and gives enough timeframes in receiving new innovation, workers will feel calm and advantageous in receiving it which will cause them to contribute more towards association development. Innovation doesn't influence the representative relational relationship, it encourages them to have a superior correspondence with their associates and like to work in groups than as individual however it has diminished their own co-operations.

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