

A Case Study On Employee Perception Towards E-Banking

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Abstract - Every day more and more people are turning to the Technology for their personal banking. E-banking making it safe, secure, convenient and fulfill the requirement to shop for financial services. Every one of us has always enjoyed a special relationship with their neighborhood bank. The study focused on the perception of Bank employee towards E-banking in Bangalore region. The respondent of the paper is 50 and tries to analyze using likert scale method about perception of E-banking. However paper applied descriptive statistics focused on overall perception of E-banking. Hypothesis is constructed for the study whether age has any significance difference between overall perceptions. It result H_0 is accepted in this examination of the study. Finally, paper concludes that Automation of banks which helps the employees to reduce the paper, EDI, Core banking as a single entity to more transparent and more reliable also.

Keyword - EDI, Core banking, Benefits

INTRODUCTION

E-banking provides consumers with a convenient method of conducting bank business from the comfort and security of their own home and personal computer. Consumers can check account balances and review other account information any time of the day or night. Online banking has changed the face of transactional business and affects commerce across many trades and industries.

E-banking also known as internet banking, e-banking, or virtual banking, is an electronic payment system that enables customers of a bank or other financial institution to conduct a range of financial transactions through the financial institution's website. Internet banking is a term used to describe the process whereby a client executes banking transactions via electronic means. This type of banking uses the internet as the chief medium of delivery by which banking activities are executed. The activities clients are able to carry out are can be classified to as transactional and non transactional.

Back Office Application

The first step of RBI towards bank computerization was implementation of the Back office application in the Indian banking sector. The Back office application uses computers only for data entry operations and a few calculative operations. It also stores customer's data and uses dos base FoxPro to calculate interest and develop the pay roll system to calculate the employees' salary. This application was not beneficial to the banks customers because it was not providing them any kind of service. Due to this system the working hours of bank employees were increased due to daily data entry of all / few manual transactions. It is also observed that in this system daily / weekly / monthly back up was required. In case of failure in backup files, management may not get proper information at a given point of time.

Branch Automation

Another step taken by RBI was Total Branch Automation in which the bank should have TBA s/w being used in branches that are covering 80% of the total business of a bank. These branches should have a single customer ID concept using which all the accounts of the customer can be retrieved. The bank should start collecting the customer-related information for customer information system. Also training the employees in the areas of customer relationship, marketing at the customer touch points should be started. In case of TBA bank can also provide ATM facility, but that ATM facility is restricted to that branch only which is provide ATM centers. Because in TBA data centre is not established so customer's data is available only at particular branch. So customer can withdraw their cash only at particular branch's ATM centre in which the customer has his/her account. Due to this restriction although the ATM facility is available customer cannot take the advantage of any where banking.

Core banking Solution

After the turn of consolidated databases (Back office Application) and networks (Total Branch Automation) the next term is core banking applications. Core banking applications (CBS) in Banks provide the complete front-end and backend automation of banks. These applications also help the banks to achieve centralized processing of each and every service of the customer.

OBJECTIVE OF THE STUDY

1. To study the perception of Employee perception towards E-Banking.
2. To analysis Employee Perception on Electronic Data Interchange.
3. To analysis Employee Perception on Benefits of E-banking.
4. To examine Employees Perception on Core Banking Solution.

NEED OF THE STUDY

E-banking is playing vital role in Technology as well in the Banking sector. The Customers and employees are users of E-banking. However most of the study on E-banking is analyzed though customers because they are one end of users. This paper

analyzes the other end of users i.e., Employee end whether they are using e-banking services, EBI, do e-banking is Benefits, and with core banking solution also, along with this over all perception towards E- banking.

STATEMENT OF THE PROBLEM

In spite of all the advancements & improvements of E-banking it has some risks and problems. This paper tries an attempt to measure the effectiveness of E-banking among branch employees to determine the perception level of employees towards E-banking.

M.E.DoddaRaju & Dr.T.NarayanaReddy (2014)Customer Perception Study-Towards EBanking Services Of Public and Private Sector Banks - With Special Reference to Chittoor District of Andra Pradesh, E- Banking for better customer services, Indian banking industry has suddenly witnessed a major boom. Being a globalized market, the customers seek and demand world class products. In today's global market, the competitive advantage lies in delivering high quality service to the customers. The need to achieve customer satisfaction lies in its ability to deliver products quickly and better to the customers. The purpose of this paper is to determine the customer's perception toward the e-banking services. A total number of customers taken for the study are 196. Analysis of variance technique is employed to study the significant relationship between the occupation and customer perception of e-banking services and significant relationship between the age and customer perception of e-banking services. The result of the study clearly shows that different age group of customer and different occupation group of customers have different perception toward the e-banking services. The results also propose that demographic factors impact significantly internet banking behavior, specifically, occupation and age. Finally, this paper suggests that an understanding about the customer's perception regarding the e-banking services of public and private sector banks in Chittoor dist of Andrapradesh it will help to the bankers to understand the customers need in better way.

S.Ramya, K. Rajam & Dr. D. Sivasubramanian (2013), STUDY ON EMPLOYEES' PERCEPTION OF CUSTOMER RELATIONSHIP MANAGEMENT IN E-BANKING,

E-Banking services using the banks namely: State Bank of India and ICICI Customer relationship management effect on E-Banking products, services and improve the working environment of Bank employees.. Survey research design was applied in which structured questionnaire was used to generate primary data from among the two banks examined while secondary data were collected from the articles, books and the relating website of the banks. A sample size of 20 junior, middle and senior managers from each of the banks were given questionnaire instrument for completion. It was discovered that customer relationship management impact on the two banks. Therefore, it was suggested that banks should intensify efforts in their customer relationship efforts and back it up with up to date information and communication technology.

Dr. M. Rifaya Meera¹, M. Valli Mayil and R. Padmaja³(2016), A STUDY ON PERCEPTION OF EMPLOYEES TOWARDS E-BANKING SERVICES - WITH REFERENCE TO PUBLIC SECTOR BANKS IN SIVAKASI, E – Banking is scattering rapidly in public and private sector banks of India. They are delivering their established 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 perception of the employees towards e-banking based services and its efficacy. The research is exploratory and analytical in nature. The purpose of this paper is to determine the employee's perception towards the e-banking services in public sector banks only. A total of number of employees taken for the study is 205. A well structured questionnaire has used to collect the information from the respondents (bank employees). The researcher has adopted census method for this study. The data are analyzed using the simple percentage analysis, Garrett ranking technique and Mann Whitney U test.

JAMEELA M K1 SALMA C T(2016), A STUDY ON EMPLOYEE PERCEPTION TOWARDS E-BANKING:WITH SPECIAL REFERENCE TO SBT IN PALAKKAD DISTRICT, E banking is the term that signifies and encompasses the entire fear of technology

initiatives that have taken place in banking field. E banking refers to doing of banking transactions through secured internet applications. It is the provision of information or services by a bank to its customers through electronic devices. E-banking can be offered in two ways; that is an existing bank can do activities through their physical offices and also they can establish an online site for providing services to its customers through electronic banking banks can cut their operating costs and offer higher deposit rates to its customers. This paper is the result of an empirical study conducted with the objective of identifying employees level of perception towards e banking and also the impact of e banking on banks. The investigators were collected the data through questionnaire given to thirty employees of SBT in Palakkad District. From this study investigators understood that employee's perception on e -banking and impact of e-banking on banks were quite effective.

Jelena Titko, Natalja Lace(2011), Bank Customers' and Employees' perceptions of Value, The integral goal of any company, including financial institutions, should be value creation for shareholders. Value can be created when a company has a competitive advantage, i.e., customers choose to buy goods or services from this company instead of from its competitors. However, customers do not buy goods and services, they buy value. The goal of the research is to examine the gaps in customers' and employees' perceptions of a bank value. The goal of the paper is to develop the theoretical basis for the research and to work out two questionnaires: for bank customers and for bank employees

Dr. Uday Singh Rajput(2015), Customer Perception on E-Banking Service, Pacific Business Review International Volume 8, Issue 4, October 2015, This paper therefore, examines, if customers' choice of banks is influenced by the quality of e-banking services provided. Stratified sampling was used; while the survey Instrument was a developed Questionnaire comprising open ended and Likert type of questions. The Likert type questions have a 5 point scale (indicating 1 strongly disagree to 5 strongly agree).secondly personal details and customers' e-banking preference in Gwalior. The instrument contained 23 items and was administered to about 300 respondents, while 285 respondents using regularly online banking services. The statistical techniques used for the analysis were the ANOVAs. The ANOVAs analysis revealed that the relationship with different income group of respondents that the perception about the e-banking services offered by banks. The study revealed that education, gender and

income play an important role in usage of online banking. The research corroborated the conceptual framework stating that if skills can be upgraded there will be greater will to use online banking by consumers

Dr. Minakshi D. Bhosale(2017), Customer and Employee Perception towards Internet Banking Risk Assessment, One part of this which is growing rapidly is Internet Banking. The quick spread of Internet banking everywhere throughout the world is its acceptance as an extremely cost. Successful conveyance channel of banking services when contrasted with other existing channels. However, internet is not an unmixed blessing to the banking sector. Along with reduction in cost of transactions, Proceeding with innovation advancements and developments are having noteworthy effect in transit banks cooperate with their clients, suppliers and counterparties, and how they attempt their operations. Banks confront the test of adjusting, enhancing and reacting to the open doors postured by PC frameworks, media communications, systems and other innovation related answers for drive their organizations in an undeniably aggressive residential and worldwide business sector. The growth of electronic banking has created a new basis with regard to the degree of exposure to the risk and therefore consequently the need of not only a differentiated regulating frame, but also mechanisms of monitoring to be formed, which has already begun to be shaped in the fields of Basle Committee of Banking Supervision. The above research paper focused on technological risk assessment from customer and employee point of view.

RESEARCH METHODOLOGY

The study on Employee perception towards E-banking for 50 respondents to answer the questionnaires. The study which is descriptive in nature is designed to examine the relationship between the employee's perception towards E-banking among the banks and demographic factors. Data were collected through survey method using a set of structured questionnaire distributed to different selected public and private bank employees. The study made on both public and private banks branch in Bangalore District. The details of the measurement for demographic factors are Gender, Age, Education Level, and E-Banking usages among the selected bank employees. Perceptions on E-banking are measured by using five scale as follows: 1=Strongly Agree, 2= Agree, 3=Neutral, 4=Strongly Disagree, 5=Disagree. Simple statistical tools and test were conducted to get the reliable inferences.

H_0 =There is no significance relationship between age level and perception towards E-banking.

H_A = There is significance relationship between age level and perception towards E-banking.

ANALYSIS OF DATA

Demographic factors of the Selected Bank Employees Table 1 shows the result of respondents' profile for this study. Majority of the respondents are Female (58%). The income level between Rs.50001-Rs.100000 is (15%). Most of the employees are assistant managers (22%).

Table 1: Demographic Profile of the Respondents

Particular	Respondent	
	Frequency	%
Age		
Between 21-29	10	20%
Between 30-39	15	30%
Between 40-49	16	32%
Between ABOVE-49	9	18%
Gender		
Male	21	42%
Female	29	58%
Monthly Income Level		
Less than RS10000	4	8%
Between RS.10001- RS.20000	14	28%
Between RS.20001-RS.50000	12	24%
Between RS.50001-RS.100000	15	30%
Greater than RS100000	5	10%
Occupational Position of Employees		
Executive Manager	10	20%
Assistant Manager	11	22%
Branch Manager	9	18%
Clerk	8	16%
Cashier	6	12%
Front Desk Executive	5	10%
Senior Officer	1	2%

Tale 2: Employee Perception on Electronic Data Interchange

Sln0	Statement	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
1	Less Human Interpretation	20	40.00	15	30.00	0	0.00	11	22.00	4	8.00
2	Paper less transaction	24	48.00	11	22.00	8	16.00	7	14.00	0	0.00
3	Reduce mailing cost	27	54.00	10	20.00	4	8.00	9	18.00	0	0.00
4	Inventory Holding will be reduced	20	40.00	15	30.00	0	0.00	11	22.00	4	8.00
5	Fast recovery	28	56.00	18	36.00	4	8.00	0	0.00	0	0.00

Table 2 employee perception on Electronic Data Interchange where most respondents interprets that less human interpretation (22%) Disagree. The paper less transaction is Strongly agreed (48%).EDI reduces mailing cost (54%), inventory holding will be reduced (40%), fast recovery (56%).

Slno	Statement	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
1	Rush of Customers in Bank	20	40.00	15	30.00	0	0.00	11	22.00	4	8.00
2	Increase in branch Productivity	24	48.00	11	22.00	8	16.00	7	14.00	0	0.00
3	Updated information	20	40.00	15	30.00	0	0.00	11	22.00	4	8.00
4	Increase in employee Productivity	28	56.00	18	36.00	4	8.00	0	0.00	0	0.00
5	Innovation in Products & Services	30	60.00	10	20.00	10	20.00	0	0.00	0	0.00

Table 3 Employee Perception on Benefits of E-banking where most respondents interprets that Rush of Customers in Bank (22%) Disagree, Increase in branch Productivity is strongly agreed (48%). Updated information (40%) of the respondent is strongly agreed, Increase in employee Productivity (56%) of the respondent is strongly agreed, Innovation in Products & Services (60%) strongly agreed.

Tale 4: Employees Perception on Core Banking Solution

Slno	Statement	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
1	Reduce load on other branches	27	54.00	21	42.00	2	4.00	0	0.00	0	0.00
2	Time Reduction	28	56.00	18	36.00	4	8.00	0	0.00	0	0.00
3	Bank Branching with any time	24	48.00	11	22.00	8	16.00	7	14.00	0	0.00
4	Facilitate Centralized Data Base	28	56.00	11	22.00	3	6.00	7	14.00	1	2.00
5	New product Launch	20	40.00	15	30.00	0	0.00	11	22.00	4	8.00
6	Online-Real -Time Data Availability	27	54.00	10	20.00	4	8.00	9	18.00	0	0.00

Table 4 Employees Perception on Core Banking Solution where most respondents-Reduce load on other branches (54%) Strongly agree, Time Reduction (56%) of the respondents strongly agrees, Bank Branching with any time(48%) Strongly agrees, Facilitate Centralized Data Base(56%) Strongly agrees by the respondent. New product Launch(40%) strongly agreed, Online-Real -Time Data Availability(54%) strongly agreed.

Table5 : Shows the overall perception towards E-banking

OVERALL PERCEPTION TOWARDS E-BANKING	
Mean	3.3
Standard Error	0.125356634
Median	3.5
Mode	4
Standard Deviation	0.88640526
Sample Variance	0.785714286
Kurtosis	1.433268859
Skewness	-1.37356187
Range	3
Minimum	1
Maximum	4
Sum	165
Count	50
Confidence Level(95.0%)	0.251913583

Table6 : Shows the Regression overall perception towards E-banking

Regression Statistics				
Multiple R	0.232240166			
R Square	0.83935495			
Adjusted R Square	0.034225817			
Standard Error	0.871104226			
Observations	50			
ANOVA				
	F	Significance F		
Regression	2.736498119	0.104605		
Residual				
Total				
	Coefficients	Standard Error	t Stat	P-value
Intercept	2.068895897	0.75434	2.742655873	0.008540998
AGE	0.037014555	0.022376	1.654236416	0.104605222

From the above table 6 show the regression on age and perception towards E-banking. Where multiple R is 0.232, R square is 83.9%, adjusted R square is 3.4%, from this analysis H_0 is accepted that there is no significance between age level and perception towards E-banking. The age factors are not influencing perception towards E-banking.

FINDINGS

- Demographic factors of the Selected Bank Employees Table 1 shows the result of respondents' profile for this study. Majority of the respondents are Female (58%).
- The income level between Rs.50001-Rs.100000 is (15%). Most of the employees are assistant managers (22%).
- Electronic Data Interchange where most respondents interpret that less human interpretation (22%) Disagree.
- The paper less transaction is Strongly agreed (48%). EDI reduces mailing cost (54%), inventory holding will be reduced (40%), fast recovery (56%).
- Employee Perception on Benefits of E-banking where most respondents interpret that Rush of Customers in Bank (22%) Disagree, Increase in branch Productivity is strongly agreed (48%). Updated information (40%) of the respondent is strongly agreed.
- Increase in employee Productivity (56%) of the respondent is strongly agreed, Innovation in Products & Services (60%) strongly agreed.
- Table 4 Employees Perception on Core Banking Solution where most respondents-Reduce load on other branches (54%) Strongly agree, Time Reduction (56%) of the respondents strongly agrees,
- Bank Branching with any time(48%) Strongly agrees, Facilitate Centralized Data Base(56%) Strongly agrees by the respondent. New product Launch(40%) strongly agreed, Online-Real -Time Data Availability(54%) strongly agreed.
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SUGGESTION

- The ability to do banking at anywhere and anytime is one of the convenience factor.
- Electronic banking also created a more mobile bank for customers that are portability.
- E-banking offers some cost-saving opportunities for customers.
- Some bank customers who previously did little to no budgeting now monitor basic spending habit using spending tracks which is given by the online banks.
- Bank can spend some more training programs for the Employee.

CONCLUSION

The overall analysis of employee perception towards E-banking leads to conclusion that employees of each bank perceive that age factors have no significance relationship between overall perceptions of E-banking. Hence H_0 is accepted. The Employees in Public and private banks of the Selected Bank most of them are female. Employee interprets that more human interpretation required for EDI. Due to Technology implication paper less transaction is more according to respondents. Computerization of RBI made drastic change in the Indian Banking sector. Hence, the working hours of bank employees were increased due to daily data entry of all transaction. Overall observation is that, the back office application was not that beneficial to bank employees as well as bank customers.

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