



Impact of E-Banking on Employees Perception in Selected Banks in Bangalore

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Abstract

E-banking has emerged as one of the most common banking systems, with a significant increase in use over the previous several years. However, there is a scarcity of analytical research analysing the influence of e-banking on bank performance. Though e-banking is becoming more popular in Bangalore, the influence of e-banking on bank performance has yet to be determined. This paper fills that need. This research specifically studied the performance of Bangalore banks assessed in terms of performance among 80 employees of the selected banks of e-banking. The study's findings are more important for emerging nations like Bangalore because they will draw the attention of bank management and policymakers to adopt such measures to boost e-banking. This study also contributes to the literature by validating (or not) prior studies' findings.

Key Words: E-banking, Operational Performance, Financial Investment, Policymakers.

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1. INTRODUCTION

One of the most pervasive forms of electronic commerce in the world is banking. E-finance and E-money are the two key concepts in e-commerce. There are two other components of e-finance: e-banking and other financial services and products. There are several electronic delivery channels used in e-banking, including the internet, the phone, and other devices. We shall become acquainted with e-banking before learning about its operational capabilities.

E-banking is the process of managing one's financial affairs online using a computer and an internet connection. Electronic banking is the act of initiating transactions (payments, transfers, requests for services, etc.) directly with a bank or other provider of financial services remotely via a telecommunications network as well as retrieving and processing banking data (statements, payment information, etc.) on a computer.

Any user may access their bank's website using their personal computer as well as a browser to execute any virtual banking activity using internet banking (also known as E-banking). The bank has a centralised database that can be accessed through the web as part of the internet banking system. There would be no physical identification for any branches if banks linked to their branch offices via terrestrial or satellite communications. It would be a person without borders who allowed anytime, anywhere, and any way banking.

E-banking is the delivery of financial services via electronic means, allowing customers to have unlimited access to data from any location at any time. E-banking is currently the most widely utilised technology in the banking industry. Today's banks offer E-banking services via satellite communications, which are efficient for customers to utilise.

Banking operations and transactions through online is highly useful for individuals and online banking was introduced in the earlier parts of 1980s and many individuals were stated to use online banking and its various services and it completely removed a long waiting hours in the banks and avoided physical presence of individuals in banks and is very quick, convenient and easily accessible and usable by them in any time and from anywhere across the world.

Additionally, it states that ICICI Bank was the first bank to introduce online banking operations in India for a select number of services. The first banks to use the technology in 1999 were City Bank, Indus India Bank, and HDFC Bank. There are various perspectives on the history of e-banking, and various histories have been written by various authors, but the researcher will attempt to explain the type of history that is most commonly found, as well as how e-banking began, how much it developed, and how it progressed in the 1980s, 1990s, and 2000s.

In 1998, ICICI Bank began offering Internet Banking. You may access your account in real time using the more than 300 services and facilities offered by internet banking. During your time online, you may open Fixed and Recurring Deposits, see account information, obtain a check book, send and receive payments to ICICI Bank accounts and Non-ICICI Bank accounts, and do a lot more.

2. OBJECTIVES OF THE STUDY

- i) To find the increasing significance of internet banking.
- ii) To analyse the employee perception on e-banking.



3. RESEARCH METHODOLOGY

The study was blend of both primary data and secondary data in nature. The study was undertaken by the analytical in nature. The data was collected from 80 employees of selected banks namely SBI, Canara Bank, ICICI and HDFC bank by using questionnaire. The sampling technique used for the study is Non probability technique based on snowball sampling. The study was conducted in Bangalore city. The study was conducted for a period of 6 months [June 2022 – November 2022].

4. RESULTS

4.1 Demographic Profile of the Respondents

The demographic profile of respondents is disclosed in Table-1.

Table 1: Demographic Profile of the Respondents

<i>Demographic Area</i>	<i>Leading factor</i>	<i>Leading (in Percentage)</i>
Age	21-30	47.5
Male		52.5
Educational Qualification	UG	65.0
Work Place of the Respondents	ICICI	75.0
Designation	Bank Marketing	86.3

Source: Primary Data

The age of the respondent which shows the leading factor placed in between the range of 21-30 age (Majority in 47.5%), Male in 52.4 percent, Educational qualification in majority (65.0%), Work place of the respondents are in 75 percentage, designation in 86.3%.

4.2 Employee Perception on Benefits of E-Banking

The employee perception on benefits of e-banking is disclosed in Table-2.

Table 2: Employee Perception on Benefits of E-Banking (Weighted Average Method)

<i>SI.NO</i>	<i>Statement</i>	<i>Strongly agree</i>	<i>Agree</i>	<i>Neutral</i>	<i>Disagree</i>	<i>Strongly disagree</i>	<i>Total</i>	<i>Weighted average system</i>	<i>Weighted average</i>	<i>Rank</i>
1.	Increase in employee productivity	33	40	5	2	0	80	346	4.325	2

2.	Increase in branch productivity	25	48	7	0	0	80	338	4.225	4
3.	Increase in bank Productivity	36	37	6	0	1	80	347	4.3375	1
4.	Up to date information	34	40	5	0	1	80	346	4.325	2
5.	Innovation in product and services	36	33	8	2	1	80	161	2.0125	5
6.	Rush of customer in bank	32	40	7	0	1	80	345	4.3125	3

Source: Primary Data

In the table - 2, the statement increase in bank productivity is given the 1st rank, as adoption of digitalization is very important for banking sector. Then “upto date information” and “increase in employee productivity” are ranked 2nd, as electronic payment system enables customers to stay updated to the adopting norms of their banks and thus through the inception of e-banking there is an increase in employees productivity in banks, as the origin of e-banking helps the employees to improve their working strategies and set their objectives accordingly. Also the statement, Innovation of product and services is ranked last as there is no much change in attitude of employees in innovation of product and services.

4.3 Age and Impact of E-Banking in Decision Making Process

The researcher has administered the chi-square analysis to study association between age of respondents and impact of e-banking in decision making process and the results are disclosed in Table-3 and 4.

Table 3: Age of the Respondent * Impact of E-Banking in Decision Making Process - Cross Tabulation

		<i>Impact of e-banking in decision making process</i>					<i>Total</i>
		<i>VLE</i>	<i>LT</i>	<i>NAA</i>	<i>LE</i>	<i>VLE</i>	
Age of the Respondent	21-30	7	8	3	16	4	38
	31-40	3	11	3	3	2	22
	41-50	2	4	1	2	0	9
	51-60	0	6	4	0	1	11
Total		12	29	11	21	7	80

Level of significance = 5% [0.05]



VLE=Very Little Extent
 LT=Little Extent
 NAA=Not At All
 LE=Large Extent
 VLE=Very Large Extent

Table 4: Chi-Square Test

	<i>Value</i>	<i>Sig.</i>
Chi-Square	20.967	.001

The Chi-Square value of 20.967 is indicating that significant association prevailed among age of respondents and impact of e-banking in decision making process in 1% level.

4.4 Age and Impact of E-Banking in Team Performance

The researcher has administered the chi-square analysis to study association between age of respondents and impact of e-banking in team performance and the results are disclosed in Table-5 and 6.

Table 5: Age of the Respondent * Impact of E-Banking in Team Performance - Cross Tabulation

		<i>Impact of e-banking in team performance</i>					Total
		<i>VLE</i>	<i>LT</i>	<i>NAA</i>	<i>LE</i>	<i>VLE</i>	
Age of the Respondent	21-30	3	6	3	19	7	38
	31-40	3	3	1	10	5	22
	41-50	1	0	0	7	1	9
	51-60	1	7	0	1	2	11
Total		8	16	4	37	15	80

Table 6: Chi-Square Test

	<i>Value</i>	<i>Sig.</i>
Chi-Square	20.987	.031

The Chi-Square value of 20.987 is revealing that significant association prevailed among age of respondents and impact of e-banking in team performance in 5% level.

4.5 Educational Qualification and Impact of E-Banking in Increase in Knowledge

An interface is required for banking transactions in order to communicate with the customer. Every electronic transaction involves some sort of interface. E-banking is simply banking provided through a new delivery method. Customers are just given another service. An e-start-up bank's costs are quite expensive. Creating a recognised brand is expensive since it involves paying for pricey technologies as well as extensive promotion. Traditional banks find it difficult to become involved since they are unable to buy things for cash as opposed to offering shares and

because they are unable to raise more money on the stock market. In contrast, it appears to be rather simple to connect with investments through online businesses.

The researcher has administered the chi-square analysis to study association between educational qualification of respondents and impact of e-banking in increase in knowledge and the results are disclosed in Table-7 and 8.

Table 7: Educational Qualification of the Respondent * Impact of E-Banking in Increase in Knowledge - Cross Tabulation

Particulars		Impact of e-banking in increase in knowledge					Total
		VLE	LT	NAA	LE	VLE	
Educational qualification of the respondent	SSLC	1	3	1	6	3	14
	PUC	2	4	0	10	3	19
	UG	3	4	3	5	4	19
	PG	3	8	4	7	6	28
Total		9	19	8	28	16	80

Table 8: Chi-Square Test

	Value	Sig.
Chi-Square	7.527	.821

The Chi-Square value of 7.527 is showing that no significant association prevailed among educational qualification of respondents and impact of e-banking in increase in knowledge.

4.6 Educational Qualification and Impact of E-Banking in Reduction of Processing Time

The researcher has administered the chi-square analysis to study association between educational qualification of respondents and impact of e-banking in reduction of processing time and the results are disclosed in Table-9 and 10.

Table 9: Educational Qualification of the Respondent * Impact of E-Banking in Reduction of Processing Time - Cross tabulation

		Impact of e-banking in reduction of processing time					Total
		VLE	LT	NAA	LE	VLE	
Educational qualification of the respondent	SSLC	0	2	2	7	3	14
	PUC	0	0	3	11	5	19
	UG	2	3	8	4	2	19
	PG	1	3	11	6	7	28
Total		3	8	24	28	17	80

Table 10: Chi-Square Test

	Value	Sig.
Chi-Square	18.257	.011

The Chi-Square value of 18.257 is indicating that significant association prevailed among educational qualification of respondents and impact of e-banking in reduction of processing time in 1% level.

4.7 Gender and Impact of E-Banking in Availability of Staff at the Counter

The researcher has administered the chi-square analysis to study association between gender of respondents and impact of e-banking in availability of staff at the counter and the results are disclosed in Table-11 and 12.

Table 11: Gender of the Respondent * Impact of E-Banking in Availability of Staff at the Counter - Cross Tabulation

		Impact of e-banking in availability of staff at the counter					Total
		Substantially decreased	Decreased	Stable	Increased	Substantially increased	
Gender of the respondent	Male	1	8	11	14	8	42
	Female	1	8	7	16	6	38
Total		2	16	18	30	14	80

Table 12: Chi-Square Test

	Value	Sig.
Chi-Square	1.111	.493

The Chi-Square value of 1.111 is revealing that no significant association prevailed among gender of respondents and impact of e-banking in availability of staff at the counter.

4.8 Gender and Impact of E-Banking in Banking Hours

The researcher has administered the chi-square analysis to study association between gender of respondents and impact of e-banking in banking hours and the results are disclosed in Table-13 and 14.

Table 13: Gender of the Respondent * Impact of E-Banking in Banking Hours - Cross Tabulation

		Impact of e-banking in banking hours					Total
		Substantially decreased	Decreased	Stable	Increased	Substantially increased	
Gender of the respondent	Male	0	5	8	17	12	42
	Female	2	1	11	14	10	38
Total		2	6	19	31	22	80

Table 14: Chi-Square Test

	Value	Sig.
Chi-Square	5.426	.025

The Chi-Square value of 5.426 is revealing that significant association prevailed among gender of respondents and impact of e-banking in banking hours in 5% level.

4.9 Educational Qualification and Impact of E-Banking in Time Taken for Transaction

The researcher has administered the chi-square analysis to study association between educational qualification of respondents and impact of e-banking in time taken for transaction and the results are disclosed in Table-15 and 16.

Table 15: Educational Qualification of the Respondent * Impact of E-Banking in Time Taken for Transaction - Cross Tabulation

		Impact of e-banking in time taken for transaction					Total
		Substantially decreased	Decreased	Stable	Increased	Substantially increased	
Educational qualification of the respondent	SSLC	0	0	0	8	6	14
	PUC	0	0	3	14	2	19
	UG	0	2	2	8	7	19
	PG	1	4	3	12	8	28
Total		1	6	8	42	23	80

Table 16: Chi-Square Test

	Value	Sig.
Chi-Square	14.505	.270

The Chi-Square value of 5.426 is showing that no significant association prevailed among educational qualification of respondents and impact of e-banking in time taken for transaction.

5. FINDINGS AND SUGGESTIONS

The study brings out that e-banking is having positive impact on performance of employees, branches and banks and innovation in adoption of products and services and it has reduced processing time and cost of transactions and operations of banking services and employees opine that working hours are increased to certain extent because of introduction of e-banking and employees are holding positive and favourable perception on e-banking. The employees working in banks view that e-banking has reduced complication in banking transactions and responding to customers and it had increased process availability of staff and quantum of customers. Further, it has increased knowledge of employees on products and services of banks and operational efficiency of employees and banks considerably.

6. CONCLUSION

The employees working in banks are holding positive and favourable perception on impact of e-banking and it is meeting demands and anticipation of customers' at large extent in providing innovative services and products to them. E-banking is increasing operational efficiency and productivity of employees and banks and it is considerably reducing processing time and cost of transactions and operations of banking services and it is having positive impact on processing

time and knowledge of employees on products and services of banks and they can provide superior services to their customers and also attracting new customers towards their banks.

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