



A Perceptual Study to Understand the Effects of Technological Innovations on Performance of the Retail Bank Employees

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Abstract

Banking sector is a vital sector for the economy of the country. It helps in maintaining the flow of money in the economy. Banking sector has adopted the technology to enhance the productivity and customer satisfaction. This study was conducted to understand the effects of e banking on the working and behavioural pattern of the bank employees. Bank employees were classified in to two categories, private sector and public sector bank employees. Study was conducted among the bank employees of the Lucknow district of the Uttar Pradesh. This study is based on primary data and statistical tools were used to analyse the data. Independent t test was used to understand the association between the dependent and independent variable. Study was conducted between the period of financial year 2019-2020.

Key word: e banking, retail banking, private sector banks, public sector banks, work stress, work efficiency.

Introduction:

A bank is a financial institution which actually acts as an intermediary between the ultimate lender and ultimate borrowers, additionally has a unique feature of cash withdrawing by cheques. A bank is a financial institution that gives banking in addition to other financial services to their clients. A bank is normally established as an institution that provides ideal and fundamental payment services which could include accepting deposits and giving loans. There are also non-banking associations that provide certain payment services without meeting up with the legal definition of a bank. The banking functions can be broadly classified as: (a) Wholesale banking and (b) Retail banking.

Wholesale banking: It refers to that type of banking services which are provided to large business houses or corporates or other bank including big multi nationals. This has been a traditional kind of business of bank in India. It is also termed as 'corporate banking'. They basically cater to fund the need of big business houses by providing fund-based services, non-fund-based services, value added services, internet banking services and so on. The services provided are tailored to the requirement of the client.

Retail banking is also known as consumer banking or personal banking. This is mainly dealing with the specific needs of the general public and managing the finances, credit requirements and deposits safely and securely. Retail banks conjointly provides numerous ancillary services like credit & debit cards, mobile banking, internet banking, insurance, deposit services, real time settlements, etc. Retail banking services in the banking system is endlessly undergoing innovations, product reengineering, adjustment, and alignments. It acts a one stop shop for all the credit and financial needs of the public or customers. The

branches provide the services through the local branches which the customers can easily access to. Similarly, the local branch agents can be of help for the general public to deal with their daily financial queries.

Retail banking mainly targets the individual and small business whose fund requirements are low. The main operations are done through a large network of branches which are opened in huge numbers in the cities to cater purely to the needs of the retail customers. Customer deposits are the most important and prime source of funding of these banks. Out of all the retail services, one specific service has gained importance in the last two decades with the advent of technological innovation all around the world- online banking or internet banking or e-banking. With the introduction of the e-banking the customers can easily access to these banks and along with safety and security. This retail service is of great importance for the bank, its employees as well as the client. Some of the advantages of the services are-

- lower cost of operation
- convenience to banker
- fund can be obtained any time
- saves wastage of paper
- easy to use

The e- banking services are not only providing advantages to these customers but are also reducing the workload and burden of the bank employees. Many researches have been undertaken to know the reason for poor performance of bank employees or analysis of the performance of the bank employee or service quality offered so on. E-banking have some impact on the behavioural aspects of the bank employee like it may reduce chaos, confusion, stress etc. and to an extent affect the performance of the bank employee.

Literature Review:

Thomas M. Hoening (2009) in his study entitled as, "The Future of Retail Banking and Payments - Developments in Global Market, the Role of Central Banks", points out that the retail payments in the United States and worldwide have an enormous transformation over the past decade driven by technology and change in consumer preference.

Sannes (2001) stated that research come up with that an incomplete business model for self-service is the reason that's why most of the banks have failed to exploit the potential of self-service banking. According to Stabell and Fjeldstad's three value configurations concept for evaluation of self-service banking has emerged.

Roger's (1995) Diffusion of Innovation (DOI) theory is a popular model used in information system research to explain user adoption of new technologies. Rogers defines diffusion as the process by which an innovation is communicated through certain channels over time among the member of a social society'(Rogers, 1995).An innovation is an idea or object that is perceived to be new (Rogers, 1995).

According to Ozcan, Muhammet, Sercemeli, Murat, Agirman, Ensar, Karcioglu, Resat, Dursun, Kaya (2013), virtual banking is a bank without branch which offers its services by means of individual computers or electronic tools, ATM and telephone.

Objectives:

For conducting this research, we made following objectives.

Objective #1: E Banking helped in reducing work stress & increasing performance

Objective #2: E Banking helped in reducing chaos & confusions

Objective #3: E Banking helped to do routine work more efficiently

Research Methodology:

This research is a descriptive and empirical type of research where we tried to find out the relation between the e banking and ease of bankers. For this study 259 respondents were chosen for the district Lucknow, Uttar Pradesh of India. These respondents were bank employees of private and public sector banks. Stratified convenient sampling technique was used to collect the data as respondents were classified in to two categories, one employees of private sector banks and another public sector banks. To collect the primary data questionnaire method was used. To test the hypothesis t test was used as the data was found normally distributed.

HYPOTHESIS

H₀ 1: There is no significant perceptual difference between public sector banks and private sector banks employees for role of e banking in reducing work stress & increasing performance.

H₀ 2: There is no significant perceptual difference between public sector banks and private sector banks employees for role of e banking in reducing chaos & confusions.

H₀ 3: There is no significant perceptual difference between public sector banks and private sector banks employees for role of e banking in helping to do routine work more efficiently.

Data Analysis:

Employees who were agree that e banking helped them in reducing work stress & increasing performance, there were 25% clerks and 71.4% officers (Table 1). Most of the employees were sceptical about the impact of e banking on their productivity. Table 2 shows that private sector bank employee perceive that e banking has been helpful in increasing their productivity while none of the public sector bank employee feel that e banking helped in reducing work stress and increasing performance.

Bank employees shared that e banking dose not help in reducing chaos & confusions in routine activities. Those who said that e banking does not help in removing the chaos in banking practices, 56.9% were banking officers (table 3). While if we talk about employee's perception for the same based on public and private sector, 73.4% private sector bank employees don't think that e banking help in reducing the chaos (table 4).

Efficiency and productivity are major issues to maintain the competitive advantages over the competitors. Technology can help in maintaining and enhancing the productivity. When

we tried to find out the perception about role of e banking on productivity, those who were positive about it were 25.0% clerks and 71.4% officers (table 5). Sector wise comparison shows that only private sector bank employees feel that e banking helps in increasing the productivity of the routine work (table 6).

For testing the hypothesis, we applied independent t test for all the three behavioural factors with the help of SPSS (version 16). There were two independent samples; one group was of private sector bank employees Table 7 of the independent t test is showing that that the null hypotheses are being rejected as Sig. (2-tailed) value is less than 5% significant level.

Conclusion:

Technology is a weapon to fight in this cutthroat competitive market to be ahead of your competitors. Banking industry has also transformed itself and adopted the technology to enhance the productivity. This study shows the perception of the bank employees. though employees don't look much enthusiast about the use of technology but private sector bank employees feel that e banking is helping them in enhancing the productivity while employees form both the sector don't significantly don't feel that e banking is helping them in reducing the stress and chaos in routine banking activities. Study shows that use of technology is increasing their stress and it can be seen as bank employees have to stay late in the office to complete the scheduled activity in comparison to earlier days when there was less use of the technology in the banking sector.

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Table 1

Crosstab					
			"Behavioural Factor" in e-banks : Helps in reducing work stress & increase in performance		Total
			Neutral	Positive	
Respondent Job Category	Manager	Count	21	0	21
		% within Respondent Job Category	100.0%	0.0%	100.0%
		% within "Behavioural Factor" in e-banks : Helps in reducing work stress & increase in performance	8.1%	0.0%	7.3%
	Executives/Clerk	Count	38	7	45
		% within Respondent Job Category	84.4%	15.6%	100.0%
		% within "Behavioural Factor" in e-banks : Helps in reducing work stress & increase in performance	14.7%	25.0%	15.7%
	Officer	Count	164	20	184
		% within Respondent Job Category	89.1%	10.9%	100.0%
		% within "Behavioural Factor" in e-banks : Helps in reducing work stress & increase in performance	63.3%	71.4%	64.1%
	Other	Count	36	1	37
		% within Respondent Job Category	97.3%	2.7%	100.0%
		% within "Behavioural Factor" in e-banks : Helps in reducing work stress & increase in performance	13.9%	3.6%	12.9%
Total	Count	259	28	287	
	% within Respondent Job Category	90.2%	9.8%	100.0%	
	% within "Behavioural Factor" in e-banks : Helps in reducing work stress & increase in performance	100.0%	100.0%	100.0%	

Table 2

Crosstab					
			“Behavioural Factor” in e-banks : Helps in reducing work stress & increase in performance		Total
			Neutral	Positive	
Type of Bank	Public Sector Bank	Count	136	0	136
		% within Type of Bank	100.0%	0.0%	100.0%
		% within “Behavioural Factor” in e-banks : Helps in reducing work stress & increase in performance	52.5%	0.0%	47.4%
	Private Sector Bank	Count	123	28	151
		% within Type of Bank	81.5%	18.5%	100.0%
		% within “Behavioural Factor” in e-banks : Helps in reducing work stress & increase in performance	47.5%	100.0%	52.6%
Total	Count	259	28	287	
	% within Type of Bank	90.2%	9.8%	100.0%	
	% within “Behavioural Factor” in e-banks : Helps in reducing work stress & increase in performance	100.0%	100.0%	100.0%	

Table 3

Crosstab					
			“Behavioural Factor” in e-banks : Helped in reducing chaos & confusions		Total
			Neutral	Negative	
Respondent Job Category	Manager	Count	3	18	21
		% within Respondent Job Category	14.3%	85.7%	100.0%
		% within “Behavioural Factor” in e-banks : Helped in reducing chaos & confusions	1.7%	16.5%	7.3%
	Executives/Clerk	Count	32	13	45
		% within Respondent Job Category	71.1%	28.9%	100.0%
		% within “Behavioural Factor” in e-banks : Helped in reducing chaos & confusions	18.0%	11.9%	15.7%
	Officer	Count	122	62	184
		% within Respondent Job Category	66.3%	33.7%	100.0%
		% within “Behavioural Factor” in e-banks : Helped in reducing chaos & confusions	68.5%	56.9%	64.1%
	Other	Count	21	16	37
		% within Respondent Job Category	56.8%	43.2%	100.0%

		% within "Behavioural Factor" in e-banks : Helped in reducing chaos & confusions	11.8%	14.7%	12.9%
Total	Count		178	109	287
	% within Respondent Job Category		62.0%	38.0%	100.0%
	% within "Behavioural Factor" in e-banks : Helped in reducing chaos & confusions		100.0%	100.0%	100.0%

Table 4

Crosstab					
			"Behavioural Factor" in e-banks : Helped in reducing chaos & confusions		Total
			Neutral	Negative	
Type of Bank	Public Sector Bank	Count	107	29	136
		% within Type of Bank	78.7%	21.3%	100.0%
		% within "Behavioural Factor" in e-banks : Helped in reducing chaos & confusions	60.1%	26.6%	47.4%
	Private Sector Bank	Count	71	80	151
		% within Type of Bank	47.0%	53.0%	100.0%
		% within "Behavioural Factor" in e-banks : Helped in reducing chaos & confusions	39.9%	73.4%	52.6%
Total	Count		178	109	287
	% within Type of Bank		62.0%	38.0%	100.0%
	% within "Behavioural Factor" in e-banks : Helped in reducing chaos & confusions		100.0%	100.0%	100.0%

Table 5

Crosstab						
			"Behavioural Factor" in e-banks : Helped to do routine work more efficiently			Total
			Positive	Neutral	Negative	
Respondent Job Category	Manager	Count	0	18	3	21
		% within Respondent Job Category	0.0%	85.7%	14.3%	100.0%
		% within "Behavioural Factor" in e-banks : Helped to do routine work more efficiently	0.0%	16.5%	2.0%	7.3%
	Executives/Clerk	Count	7	13	25	45
		% within Respondent Job Category	15.6%	28.9%	55.6%	100.0%
		% within "Behavioural Factor" in e-banks : Helped to do routine work more efficiently	25.0%	11.9%	16.7%	15.7%
	Officer	Count	20	62	102	184

		% within Respondent Job Category	10.9%	33.7%	55.4%	100.0%
		% within "Behavioural Factor" in e-banks : Helped to do routine work more efficiently	71.4%	56.9%	68.0%	64.1%
	Other	Count	1	16	20	37
		% within Respondent Job Category	2.7%	43.2%	54.1%	100.0%
		% within "Behavioural Factor" in e-banks : Helped to do routine work more efficiently	3.6%	14.7%	13.3%	12.9%
		Count	28	109	150	287
Total	% within Respondent Job Category	9.8%	38.0%	52.3%	100.0%	
	% within "Behavioural Factor" in e-banks : Helped to do routine work more efficiently	100.0%	100.0%	100.0%	100.0%	

Table 6

Crosstab						
			"Behavioural Factor" in e-banks : Helped to do routine work more efficiently			Total
			Positive	Neutral	Negative	
Type of Bank	Public Sector Bank	Count	0	29	107	136
		% within Type of Bank	0.0%	21.3%	78.7%	100.0%
		% within "Behavioural Factor" in e-banks : Helped to do routine work more efficiently	0.0%	26.6%	71.3%	47.4%
	Private Sector Bank	Count	28	80	43	151
		% within Type of Bank	18.5%	53.0%	28.5%	100.0%
		% within "Behavioural Factor" in e-banks : Helped to do routine work more efficiently	100.0%	73.4%	28.7%	52.6%
Total	Count	28	109	150	287	
	% within Type of Bank	9.8%	38.0%	52.3%	100.0%	
	% within "Behavioural Factor" in e-banks : Helped to do routine work more efficiently	100.0%	100.0%	100.0%	100.0%	

Table 7 (Independent Samples Test t test)

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
"Behavioural Factor" in e-banks : Helps in reducing work stress & increase in performance	Equal variances assumed	206.147	.000	-5.545	285	.000	-.371	.067	-.503	-.239
	Equal variances not assumed			-5.843	150.000	.000	-.371	.063	-.496	-.245
"Behavioural Factor" in e-banks : Helped in reducing chaos & confusions	Equal variances assumed	70.663	.000	-5.815	285	.000	-.317	.054	-.424	-.209
	Equal variances not assumed			-5.875	282.635	.000	-.317	.054	-.423	-.211
"Behavioural Factor" in e-banks : Helped to do routine work more efficiently	Equal variances assumed	17.219	.000	10.217	285	.000	.687	.067	.555	.820
	Equal variances not assumed			10.469	250.448	.000	.687	.066	.558	.817