

Perception of Employees on Technology Adoption in Banks

Hyma M.,

Research Scholar,
Kuriakose Gregorios College,
Pampady, Kottayam, Kerala, India.

ABSTRACT

With the advancement and adoption of technology in banks, the banking industry has undergone tremendous changes all over the world. The technology waves are reshaping the banking landscape and the banking environment has become highly aggressive today. The research paper focuses on the employees' perception towards adoption of technology in banks. The paper is being designed to measure the awareness level and overall perception of employees on adoption of banking technology. The paper also exhibits the employees profile wise perception on technology adoption. With the help of a well-structured questionnaire, a survey was undertaken among 50 employees of Federal Bank in Ernakulam district, Kerala. Descriptive statistics is used in the study. On the basis of the survey conducted, it is found that even half of the total customers of the bank are not using tech-banking services and the number of complaints reported per month on tech banking is highest regarding the use of ATM and online banking technologies. However, almost all the employees found the performance of tech-banking as satisfactory.

Keywords: Tech-banking, Banking Landscape, Information Technology, Employee Perception.

INTRODUCTION:

Information technology has been a decisive moment in the Indian Banking history. It is the perception among the general public that the technological advancement has reduced the work load of bank employees. However the bank employees in general opine differently. The dependency on technology has brought additional responsibilities and challenges in managing, maintaining and optimizing performance level of retail banking networks. The globalization of Indian economy has exerted mounting pressure on business development in Indian banks. With the continuous emergence of new technologies, the pressure for individuals to complete work task or to respond immediately to work inquiries is constantly increasing. It is faster to generate reports due to information technology advancement and hence the managements demand more reports with increasingly shorter deadlines.

This Paper is an overview about Federal Bank employees' perception on technology adoption. Federal Bank is one of the leading technologically advanced bank. They are known to be the trend setters in introducing various tech products such as electronic passbook, automated chat facility, mobile app for bank account opening, unified payment interface app etc. in Indian banking history. Therefore it is essential to study the perception of employees of such a bank on adoption of technology in banking.

REVIEW OF LITERATURE:

Review of studies of eminent researchers validates the present study by identifying the gaps in those studies and gaining an insight to conduct this study.

Kaur, Rimpi (2010), evaluate the perception of bank employees regarding the use of various products or services, delivery channels and their acceptability in urban Punjab. Results show that the employees are satisfied with working through e-channels. The results also indicate that employees face problems of lack of knowledge, fear of insecurity and unawareness among the customers while dealing with e-channel customers.

Arasada Prameela (2013), in a study aims to trace the development and deployment of technology in banking sector and the perception of employees on the technology deployment in banks. The findings of the study revealed that the perception of bank employees regarding their working through e-channels in this new electronic era is that though the change in new working styles are challenging, it is innovative. It was also found that the employees are highly motivated to take up challenges of technological up gradation with attractive incentive packages though there are stressful strong hours of work.

Sathyanarayana (2013), conducted an analytical study about the growth, challenges and trends in e-banking system. The study was designed to evaluate the level of growth of e-banking operations and the challenges faced by customers and employees in respect of technology application in banking. It was found that the major challenge faced at the time of operating e-banking is security problem. It was also inferred that the maximum level of satisfaction about e-banking transactions was among private sector.

Shiva Manoj (2016), conducted a study to examine the attitude and perception of bank employees towards the mobile banking services, internet banking services, NEFT & RTGS services and ATM banking services offered by public and private sector banks in Eastern UP. The study revealed that the bank employees have shown a positive response and high level of satisfaction in all these banking services. HarshitaBhatnagar (2016), analyzed customer satisfaction and technology in banking based on a study in Udaipur city and concludes that customer satisfaction is higher in private sector banks than that in public sector banks.

Jameela, Salma (2016), conducted a study to determine the perception of employees, of SBT in Palakkad district, towards electronic banking. The study revealed that electronic banking has greater advantage to attract young customers and less advantage for increasing bank image.

Diksha Gupta (2017), studied the attitude of bank employees towards electronic banking and concluded that the employees of banks have taken a positive view of electronic banking and it has resulted in increased employee productivity, branch productivity as well as bank productivity.

Shiva Prasad, Umesh (2018), jointly discussed the relation between technology knowledge, job satisfaction level and job stress after implementation of e banking in co-operative banks. The study shows that technology knowledge has direct relationship with job satisfaction and inverse relationship with job stress. The study thus inferred that, when an employee has technology knowledge, the e-banking implementation increases his job satisfaction and reduces his job stress.

STATEMENT OF THE PROBLEM:

Technology is now a driving force in the banking industry. It makes a complex and competitive work atmosphere in banks leading to insuperable work pressure among the employees. Technology has changed the work environment of bank employees. Based on different demographic and employment factors, the potentiality of the workforce to get adjusted to technology may vary. This Paper is an attempt to understand the perception level of a cross section of Federal Bank employees in Ernakulam district in the background of technological advancement in the bank.

SIGNIFICANCE OF THE STUDY:

Technology has been playing an important role in the banking sector. Subsequent to the adoption of technology in banks, many studies have been conducted from the view point of customers. But the number of studies targeting the bank employees are relatively small as a result of the perception among the general public that technological advancement is very much favorable for bank employees. However the bank employees in general opine differently. It is therefore important to study about the adoption of banking technology from the employees' perspective.

OBJECTIVES OF THE STUDY:

- To understand the awareness level of employees on various tech-related banking operations
- To assess the overall perception of employees on technology adoption in banks

METHODOLOGY:

The scope of this study stands restricted to Federal Bank employees in Ernakulam district. Descriptive type of methodology is used in the present study.

Data Collection:

For the study, data was collected from primary and secondary sources. Primary data has been collected with the help of a well-structured questionnaire. For collecting secondary data, books, research papers, journals and online sources were referred.

Sampling Design:

Simple Random Sampling is the sampling method of this study. Federal Bank has been chosen for this study as it is one of the largest technologically advanced bank in India. Ernakulam district in Kerala was selected for the study based on the largest concentration of branches of Federal Bank. The primary data was collected from 50 employees of Federal Bank in Ernakulam district.

Tools of Analysis:

The data collected was organized, classified and analyzed systematically using percentage, mean score and standard deviation.

LIMITATIONS OF THE STUDY:

- The observations are not universally applicable as the study is confined only to Federal Bank in Ernakulam district.
- The study is mainly based on primary data collected through questionnaire, which generally suffers from respondent's bias.

DATA ANALYSIS AND INTERPRETATION:

Demographic Profile:

Table 1: Distribution of the Respondents based on demographic profile

Age (Years)	%	Gender	%	Education	%
Up to 30	30	Female	36	Under Graduate	-
31 – 40	34	Male	64	Graduate	50
41 – 50	08			Post Graduate	32
Above 50	28			Professional	18
Total	100	Total	100	Total	100

Source: Primary data

Employment Profile:

Table 2: Distribution of the Respondents based on employment profile

Job Position	%	Completed years of service	%
Senior Management (Scale 3 and above)	18	Up to 10	54
Middle Management (Scale 2)	24	11-20	12
Junior Management (Scale 1)	38	21-30	08
Clerk/ Cashier/ Computer Operator	20	Above 30	26
Total	100	Total	100

Source: Primary data

Level of awareness of respondents:

Table-3 (1) & 3 (2) describes the distribution of the respondents based on Level of awareness of employees about technology, in the different areas of operation and in digital/online transactions respectively.

Table 3(1): Distribution of the Respondents by Level of Awareness

Areas of Operation	Mean Score	SD	*Rank
Routine Transactions and Accounting	2.76	0.431	1
Loan Processing and Follow up	2.36	0.525	3
Report Generation	2.40	0.535	2
HR Related Operations	2.26	0.565	4

Source: Primary data

*Rank has been allocated according to mean score. Rank 1 is given to the concerned factor which has highest mean score and Rank 2 is given to the concerned factor which has second highest mean score and so on.

Table 3(2): Distribution of the Respondents by Level of Awareness

Digital/Online Transactions	Mean Score	SD	*Rank
Request for Demand Draft	2.84	0.468	5
Request for Cheque Book	2.96	0.198	2
Fund Transfer from one account to other	2.96	0.198	2
Balance Enquiry	2.96	0.283	2
Bills and Insurance Premium Payment	2.74	0.487	7
Ticket Booking	2.80	0.452	6
Payment of Various Government Taxes	2.54	0.579	8
Recharge/Mobile Refill	2.94	0.314	4

Source: Primary data

*Rank has been allocated according to mean score. Rank 1 is given to the concerned factor which has highest mean score and Rank 2 is given to the concerned factor which has second highest mean score and so on.

Table 3 (1&2) analyses the awareness level of the respondents. For this purpose, scaling was used. Analysis was done on the basis of mean score.

2.1 – 3: Fully aware

1.1 – 2: Partly aware

0.0 – 1: Unaware

It is inferred from table 3 (1&2) that, in the awareness level on all areas of operation and on digital or online transactions the mean score ranges from 2.1 – 3, which indicates that the respondents are fully aware of it.

Therefore, the analysis shows that all the employees taken for the study are fully aware of the different areas of operations in relation to technology adoption and are also fully aware of various digital/ online transactions.

Mean Score Analysis of the level of awareness of employees on different tech-related areas of operation:

Table 4(1): Level of awareness of employees on various areas of operation from different dimensions in terms of mean score

Particulars	Q1	Q2	Q3	Q4
Age Group(in years)				
Up to 30	2.6	2.33	2.47	2
31-40	2.76	2.18	2.35	2.24
41-50	3	2	2.5	2.25
Above 50	2.86	2.71	2.36	2.57
Gender				
Female	2.83	2.28	2.5	2.11

Particulars	Q1	Q2	Q3	Q4
Male	2.72	2.41	2.34	2.34
Educational Qualification				
Graduate	2.8	2.44	2.32	2.36
Post Graduate	2.75	2.38	2.69	2.13
Professional	2.67	2.11	2.11	2.22
Job Position				
Senior Management (Scale 3 and above)	2.78	2.78	2.56	2.56
Middle Management (Scale 2)	2.75	2.5	2.5	2.42
Junior Management (Scale 1)	2.63	2.32	2.47	2
Clerk/ Cashier/ Computer Operator	3	1.9	2	2.3
Completed year of service (in years)				
Up to 10	2.7	2.3	2.48	2.11
11-20	2.67	2	2.17	2.33
21-30	3	2.25	2.5	2
Above 30	2.85	2.69	2.31	2.62

Source: Primary data

Table 4(1) depicts mean scores of level of awareness of employees on various areas of operation from different dimensions. The table reveals that the employees of the age group ‘up to 30 years’ and ‘41-50 years’ are not fully aware of HR related operations and loan processing & follow up respectively. The junior management do not have complete knowledge about HR related operations. The clerks, cashier and computer operators are not fully aware of loan processing & follow up and report generation. Employees having an experience of ‘11-20 years’ and ‘21-30 years’ are not very much aware of loan processing & follow up and HR related operations respectively. Apart from these, all the employees are fully aware of all the tech-related areas of operation.

Mean Score Analysis of the level of awareness of employees on digital transactions:

Table: 4 (2) Level of awareness of employees on digital transactions from different dimensions in terms of mean score

Particulars	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Age Group(in years)								
Up to 30	2.73	2.93	2.93	3	2.6	2.8	2.53	3
31-40	2.94	3	3	3	2.82	2.88	2.65	2.94
41-50	3	3	3	3	3	3	2.75	3
Above 50	2.79	2.93	2.93	2.86	2.71	2.64	2.36	2.86
Gender								
Female	2.83	3	3	3	2.56	2.61	2.39	2.94
Male	2.84	2.94	2.94	2.94	2.84	2.91	2.63	2.94
Educational Qualification								
Graduate	2.72	2.92	2.96	3	2.76	2.72	2.44	3
Post Graduate	3	3	3	3	2.88	2.94	2.69	2.94
Professional	2.89	3	2.89	2.78	2.44	2.78	2.56	2.78
Job Position								
Senior Management (Scale 3 and above)	3	3	3	3	2.78	2.89	2.44	3

Particulars	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Middle Management (Scale 2)	2.83	2.92	2.92	2.83	2.83	2.92	2.75	2.83
Junior Management (Scale 1)	2.79	2.95	2.95	3	2.63	2.79	2.53	3
Clerk/ Cashier/ Computer Operator	2.8	3	3	3	2.8	2.6	2.4	2.9
Completed year of service (in years)								
Up to 10	2.81	2.96	2.96	3	2.7	2.85	2.59	3
11-20	3	3	3	3	2.83	2.83	2.67	2.83
21-30	3	3	3	3	2.75	2.75	2.75	3
Above 30	2.77	2.92	2.92	2.85	2.77	2.69	2.31	2.85

Source: Primary data

It is clear from table -4(2) that all the mean scores of level of awareness of employees from different dimensions (age, gender, education, job position and experience) are above 2.4. Hence it can be easily interpreted that all the employees irrespective of their age, gender, education, job position, experience etc. are fully aware of all the above mentioned digital transactions.

Use of tech-banking by customers:

Using technology oriented banking services is more convenient for customers as it facilitates banking transactions without visiting the bank branch. But customers are yet to accept the technology based banking as they do not have adequate operational knowledge.

Table 5: Distribution based on the opinion of employees regarding the use of tech-banking by customers

Percentage of usage	Percentage
75-100%	08
50-75%	34
25-50%	42
Less than 25%	16
Total	100

Source: Primary data

It is evident from table 5, that out of the total respondents taken for the study, 42% of the employees are in favor that 25-50% of their existing customers uses tech-banking as a tool in this advanced era to save their time and money.

Number of complaints (per month) from tech-banking customers:

Bank customers face many problems in relation to technology adoption in banks. Table-6 reflects the number of complaints reported per month from tech-banking customers.

Table 6: Distribution based on the number of complaints per month from tech-banking customers

Complaints	No complaints (%)	1-5 (%)	More than 5 (%)	Total (%)
Delay in customer service	42	46	12	100
Higher service charge	28	64	08	100
Higher minimum balance stipulation	34	50	16	100
Problems regarding use of ATM or online banking technologies	12	66	22	100
Lack of attention or improper behavior of bank employees	58	40	02	100
Wrong entries in their account	72	24	04	100

Source: Primary data

It is evident from table 6, that majority of the respondents opines that there are no complaints regarding lack of attention or improper behavior of bank employees (58%) and wrong entries in customers account (72%). Majority of the employees responded that there are complaints ranging from 1 to 5 per month regarding delay in customer

service (46%), higher service charge (64%), higher minimum balance stipulation (50%) and problems regarding use of ATM or online banking technologies (66%).

Overall performance of tech-banking:

Table-7 exhibits the views of employees on the overall performance of tech-banking.

Table 7: Distribution based on the views of employees on the overall performance of tech-banking

Overall performance	Percentage
Highly satisfactory	18
Satisfactory	78
Neutral	02
Dissatisfactory	02
Highly dissatisfactory	-
Total	100

Source: Primary data

It is clear from table 7, that out of the total respondents taken for the study, 18% of the employees responded that the performance of tech-banking is highly satisfactory, 78% of the employees opine that its performance is satisfactory. 2% of the respondents were of the opinion that the performance of tech-banking is neither satisfactory nor dissatisfactory. Another 2% opined that its performance is dissatisfactory while no employees responded that its performance is highly dissatisfactory.

Therefore, a maximum of 96% of the employees are satisfied with the performance of tech-banking.

FINDINGS:

The following are the key findings of the study.

- Majority of the respondents were male, graduates and are of the age group 31-40 years.
- A major portion of the respondents are from the junior management and have service less than 10 years.
- The respondents have full awareness about different tech-related areas of operation (as the mean score ranges from 2.1-3). But they are relatively less aware of HR related operations and loan processing & follow up.
- Irrespective of the demographic and employment factors, all the employees are fully aware of all the digital transactions.
- Majority of the employees (42%) are of the opinion that only a small proportion of 25-50% of the customers are using tech-banking services.
- The employees revealed that the number of complaints from customers per month is highest regarding the problems in using ATM and other online technologies.
- A majority of 78% of the employees perceive that the overall performance of tech-banking is satisfactory.

SUGGESTIONS :

- The finding of the study reveals that the highest number of complaints from customers is regarding the usage of ATM and other online technologies. For solving this, customer education becomes a necessity.
- The employees should motivate the customers in using tech-banking services as only a small proportion of customers is using it.

CONCLUSION:

Technology has become an inseparable part of the banking business. It can be concluded from the findings of the study that bank employees have taken a positive attitude towards technology adoption in banks. However, the number of complaints they receive from tech-banking customers are relatively high. But still 96% of the employees are of the perception that the overall performance of tech-banking to be 'satisfactory and highly satisfactory'. Only a small proportion (2%) of employees opine that the performance of tech-banking is dissatisfactory.

REFERENCES:

Diksha, Gupta. (2017). Attitude of banking employees towards e-banking, *AGU International journal of*

- management studies and research*, Vol 5.
- Harshita, B. (2016). Customer satisfaction and technology in banking- a scenario of Udaipur city, *Arabian journal of business and management*.
- Jameela, M, K., Salma, C, T. (2016). A study on employee perception towards e-banking, *Intercontinental journal of marketing research review*, Vol 4, Issue 2.
- Kaur., Rimpi. (2010). *Indian banking: Managing transformation through information technology problems and prospects*, Dissertation, School of Management Studies, Punjab University.
- Mehta, B., Dadhich, M, A., (2013). *Internet banking*, Discovery Publishing House, New Delhi.
- Misra, R, N., (2016). *E-banking management*, Discovery Publishing House, New Delhi.
- Prameela, A. (2013). *Technology in banking: an impact study in the operations of public and private sector banks with reference to Andhra Pradesh and ICICI bank*, Dissertation, Department of Commerce and Management Studies, Andhra University.
- Sathyanarayana. (2013). *Growth challenges and trends in E-banking system an analytical study*, Dissertation, Department of Commerce, Bangalore University.
- Shiva, M. (2016). *Attitude of customers and bank employees towards innovations in retail banking with special reference to selected banks in urban areas of Eastern Uttar Pradesh during reform period*, Dissertation, Department of Management, Banasthali Vidyapith University.
- Shiva, P., & Umesh, M. (2018). An empirical study on employee job satisfaction after implementation of e-banking in co-operative banks, *Asia Pacific Journal of Research*, Vol. 1. Issue LXXXVIII.
