



Employees Perception Towards Training on E-Banking Services - An Empirical Study

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ABSTRACT

Learning happens all the time whether or not we are fully aware of it. Giving training to the employee at right time and right manner is the responsibility of the banking industry. In the current transformation era, contours of banking services dynamically altering the face of banking services and the banks are stepping towards e-banking from tradition banking. The present study focuses on perception of bank employees towards e-banking service in Kanniyakumari district. Questionnaire was used to collect data. Stratified random sampling method was adopted and 160 employees of public and private banks in Kanniyakumari district were selected on random basis. Training provide several benefits to the banks like increased efficiency of employees, reduced supervision, less amount of wastage etc, The impact of training of the bank employees has been analysed with the help of factor analysis and found that the important factor that impact the training for employees is 'Confidence'. The study concludes that a separate body should be allocated to continuously assess the technological and social changes to inherit the same in the aspect of training.

KEYWORDS : Training, Bank Employees, E-Banking Services.

INTRODUCTION

Learning happens all the time whether or not we are fully aware of it. Giving training to the employee at right time and right manner is the responsibility of the banking industry. The responsibility of banking industry is to provide the right resources and make an environment that supports the growth and development of the individual employee. Subba Rao (1996) considers this as a process to teaching. It helps an individual to learn and apply skill, knowledge, improve ability and attitude for the performance of job. Success of training depends upon active listening and learning skill and knowledge, put forward by a careful application in their work. Consequently, training is at all times a means to an end but not an end in itself. In the current transformation era, contours of banking services dynamically altering the face of banking services and the banks are stepping towards e-banking from tradition banking. Mahmood Shah and Steve Clarke (2009) says that Fast emerging economy is bringing rapid changes in technologies, increasing knowledge intensity in all the areas of business, and creating virtual supply chains and new forms of businesses and service delivery channels in e-banking. Himani Sharma (2011) apart from branch banking in the brick and mortar mode, click and order channels like internet banking, ATMs, tele-banking and mobile banking are now in vogue.

STATEMENT OF THE PROBLEM

Working culture in banks is totally changed. The success of every bank is highly depending upon its employees, though it is a public or private or foreign bank. The burden of paper work is reduced; improves efficiency; database management is improved with lesser strain of work load. The employees feel free to provide services through e-channels and can spend their saved time on other improvement activities. If the employees are not clear in their job, working conditions, work culture, knowledge they can never make the customers satisfied with better quality services. This study evaluates the perceptions of bank employees regarding training on e-banking service in Kanniyakumari district and to suggest ways to improve the services if they are not up to their expectations.

OBJECTIVES OF THE STUDY

1. To analyse the benefits derived out of training on e-banking services.
2. To find out the impact of training on e-banking services.
3. To suggest measures to enhance the effectiveness of the training programmes.

METHODOLOGY

This study is based on primary and secondary data and the necessary

data required for the study were collected through structured questionnaire method from bank employees working with e-channels. Stratified random sampling method was adopted and 160 employees of public and private banks in Kanniyakumari district were selected, out of which 80 employees are from public and remaining 80 from private banks.

DEMOGRAPHIC PROFILE OF THE RESPONDENTS

The distribution of the respondents on the basis of age, gender, education, and designation has been analysed with percentage.

Table 1
Demographic Distribution of Respondents

Variables	Bank		Total
	Public	Private	
Age			
Less than 25	15 (18.75)	21 (26.25)	36 (22.50)
26-35	29 (36.25)	25 (31.25)	54 (33.75)
36-45	20 (25.00)	15 (18.75)	35 (21.875)
46 and above	16 (20.00)	19 (23.75)	35 (21.875)
Total	80	80	160
Gender			
Male	45 (56.25)	53 (66.25)	98 (61.25)
Female	35 (43.75)	27 (33.75)	62 (38.75)
Total	80	80	160
Educational Qualification			
UG			
PG	29 (36.25)	36 (45.00)	65 (40.625)
Professional degree	27 (33.75)	24 (30.00)	51 (31.875)
	24 (30.00)	20 (25.00)	44 (27.50)
Total	80	80	160
Designation			
Manager	16 (20.00)	18 (22.50)	34 (21.25)
Probationary officer	22 (27.50)	25 (31.25)	47 (29.37)
Clerical	42 (52.50)	37 (46.25)	79 (49.37)
Total	80	80	160

Note: Data in parenthesis is percentage

Source: Primary Data

Table 1 reveals that out of the 160 employees surveyed, 29 (36.25 per cent) employees of the public sector banks belong to the 26-35 age group. In case of Private sector banks the corresponding figure is 25 employees (31.25 per cent). Out of the total 160 employees surveyed 98 were males (61.25 per cent) and 62 (38.75 per cent) were females. Out of 160 employees surveyed 60 employees (37.50 per cent) have Post Graduate qualification and 44 employees (27.50 per cent) are Professional degree holders. The distribution of bank staff on the basis of designation has been analysed, out of 160 employees 34(21.25 per cent) were managers, 47 (29.37 per cent) employees were probationary officers and 79(49.37 per cent) employees were clerical staff.

Training benefits to banks

The need of the hour, especially when the business worldwide is going through a tough time due to the economic recession, is to place the training and development at the heart of the business strategy, so as to enable the organization to build its competence as a domestic and international player. Training is thus to be used as the most effective tool in developing the resources. As the business world is .ployees with training throughout their careers. If they choose not to provide continuous training they will find it difficult to stay ahead of the competition. Training can save the organisation money if the training helps the employee to become more efficient. Following table indicates the benefits derived by banks as a result of training to employees.

**Table 2
Benefits derived by banks on E-banking Training**

S.No	Benefits	Garrett's Mean Score	Rank
1.	Increased efficiency of employees	55.4	1
2.	Reduced supervision	40.25	8
3.	Less amount of wastage	49.20	6
4.	Reduced turnover	41.46	7
5.	Helps new employees in the bank	50.13	5
6.	Better labour – management relations	54.46	2
7.	Better customer service	50.27	4
8.	Improve productivity	51.05	3

Source: Primary Data

It is inferred from table 2 that the maximum benefit derived from training by the banks is 'Increased efficiency of employees' with the mean score of 55.4. The second and the third benefits derived from training are 'Better labour –management relations' and 'Improve productivity' with the mean score of 54.46 and 51.05. The fourth and fifth benefits are 'Better customer service' and 'Helps new employees in the banks' with the mean score of 50.27 and 50.13. The sixth and seven benefits are 'Less amount of wastage' and 'Reduced turnover' and its mean score are 49.20 and 41.46. The last benefit derived from the training is 'Reduced supervision' with a mean score of 40.25.

Impact of training

The impact of training of the bank employees has been analysed with the help of factor analysis. The rotated factor matrix is used to assign variables to factors and to interpret factors. The score of the influencing variable leading to training have been included for the factor analysis.

**Table 3
Rotated Component Matrix for the variables influencing to Training**

Si. No.	Variable	Component			
		1	2	3	4
1.	Training on e-banking increased confidence on handling of e-banking services	0.798	-.117	-0.45	0.77

2.	Training on e-banking helps in meeting emerging technological needs	0.760	0.143	0.089	0.187
3.	Training on e-banking enabled to cope with organizational social and technological change	0.587	0.131	0.430	0.230
4.	Training on e-banking increased productivity	0.562	0.274	0.155	0.242
5.	Training on e-banking helped for preparing higher level job	0.000	0.856	0.126	0.073
6.	Training on e-banking increased the performance on task effectively	0.099	0.692	0.413	0.138
7.	Training on e-banking enhanced job satisfaction	0.567	0.619	-.185	-.199
8.	Training on e-banking helped in avoiding mistakes	0.086	0.095	0.745	-.125
9.	Training on e-banking helps in performing the tools effectively	0.002	0.156	0.653	0.589
10.	Training on e-banking bridged the gap between manual and technical skill	0.518	0.125	0.485	-.096
11.	Training on e-banking gained adequate knowledge	0.195	-.083	-0.26	0.852
12.	Training on e-banking provided latest development thoroughly	0.200	0.452	-.112	0.689

Kaiser- Meyer- Olkin Measure of sampling Adequacy 0.687

Barlett's test of Sphericity 362.848

Extraction method : Principal component analysis
 Rotation method : Varimax with Kaiser normalization

The above Table 3 indicates the rotated factor loading for the twelve variables. It is clear from the above table all the 12 variables have been extracted into four factors.

The number of variables in each factor, Eigen value and the percent of variation explained by the factor are presented in Table 4.

**Table 4
Factors influencing to training**

Sl. No.	Factor	No. of Variables	Eigen Value	Percent of variation explained	Cumulative percent of Variation Explained
1	Confidence	4	3.782	30.842	30.833
2	Improved performance	3	1.452	13.780	43.013
3	Reduces mistakes	3	1.356	12.452	54.071
4	Increased skill	2	1.256	10.195	64.102

Source: Primary data

The important factors leading to training on e-banking services are 'confidence and 'improved performance', since their Eigen values are 3.782 and 1.452 respectively. 'Confidence' consists of four variables with percent of variation explained of 30.842 percent. 'Improved performance' factor consists of three variables with the percent of variation explained of 13.78 percent. The next factors are 'reduced mistake'

and 'increased skill', since their respective Eigen values are 1.356 and 1.256 percent. The percent of variation explained by these two factors are 12.452 and 10.195.

SUMMARY OF FINDINGS

- Majority i.e., 54 (33.75) respondent belong to the age group of 26-35, 98 (61.25) respondents were male and 60 (37.50) respondents were having post graduate qualification and 79 (49.37) respondents are at clerical post.
- The major benefit derived from the training to bank is 'Increased efficiency of employees' with mean score of 55.4 and the least benefit derived by bank is 'Reduced supervision' with mean score of 40.25.
- The important factor that has major impact on training for employees is 'Confidence' Eigen Value of 3.782 with the per cent of variation explained 30.833.

SUGGESTIONS

- Effective training especially 'on the job' should be given to all the employees involved in e-banking services.
- Training should be carefully planned and properly implemented which leads to increased motivation, morale and productivity on employees, and also get higher profits on business.
- Contents of the programmes should be carefully designed by the top management to include knowledge and skills related to the jobs, so that they can meet the higher expectations from the clerical staffs.

- Before posting newly recruited bank staff should attend training and development programmes. This should be made compulsory by the HRD department so that trainees can learn about banking industry.

CONCLUSION

Transformation in the Indian banking industry, ever increasing competition, fast moving and complex world of latest technology have compelled banks to think of and to adapt themselves to the changing banking environment. There is a need to develop competencies i.e. skill, knowledge and attitude among the bank staff to make them more suitable to the changing conditions, through proper training and development programmes. Trained and developed people or knowledge workers have become basic or fundamental job of any bank. Training enhances the capabilities of an employee to perform his/her current job. Effective employee training program is vital to the long-term success of any business. Here, it is a logical extension of the formal education-life of a person. Once the student gets a job in any organization, she/he generally happens to be confused by the mismatch between the theory that she/he has learnt, and its practical implementation. Similarly, to cope with the fast changing business environment, one needs to have a thorough knowledge of the latest developments in his field of specialisation. A separate body should be allocated to continuously assess the technological and social changes to inherit the same in the aspect of training. Only customer satisfaction being mantra for success where banking sector is not at all an exceptional case a psychological aspect of analysis should have in depth attention to attain the customer satisfaction.

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