

A Study of an Influence of E-Banking Services on Banking Business of State Bank of India in Pune District

Dr. Niranjana Ramesh Shah ✓

Assistant Professor, Department of Commerce,
T. C. College of Arts, Science and Commerce,
Autonomous, Baramati (MS)

Abstract:

The e-banking services are increasing day by day in the banking sector in India. The enhanced banking system has evolved into a need for the general public. In this research paper, the researcher would like to investigate about all e-banking services provided by SBI. This would help the society to understand the worth of e-banking services and also help to get the knowledge about process of e-banking and value to banking sector. As the study contains the 360-degree information regarding SBI and its e-banking services, this paper will lead to new ways to tackle the problems and the SWOC of SBI in respect of e-banking services.

The research has applied analytical descriptive methodology to analyse the impact of e-banking services on the banks' business. The total sample size taken for the study was 230. To collect the data from primary and secondary sources, the questionnaires were distributed among the customers and bank officials. The analysis revealed that e-banking services have contributed to enhance financial activity as well as the number of consumers of the bank. In the banking sector, professional training can be given to banking officials, so that banking officials can effectively work on the e-banking system.

Keywords: Services, e-Banking Services, Customers, Officials, banking business

Introduction:

E-banking is also known as internet banking or virtual banking. It is an online payment system that enables customers of the bank or other financial institutes to conduct a kind of business transactions through the financial institution's website. The e-banking system typically connected to the core banking operated by the bank. This development was made in last 15 years in the banking sector and have passed through several stages and have witnessed many developments in diverse fields. These developments included administrative fields, where services are rendered by these banks to their clients, whether in provision of service aspects, presenting of finance or giving of loans. It benefited the banks with so many benefits that made many people choose to deal with them for managing their funds and investments.

Additionally, the ferocious competition among the banks compelled many other banks to path for creation and development for achieving competency in businesses so, as to gain many customers. As per the opinion of Ben & Molina (2004), e-banking system plays an important role to reduce the cost of operations, improve the management



and position of a bank. Similarly, as per the research of Rose & Hudgins (2006), the customer perception of service is greatly impacted by the level of convenience they found in the service they encounter. They also stated in their research that, the regulation of technology to an extent has provided security in various profession likewise in financial sectors also has incorporated system to reduce threats and chances of manipulation. As a result of these developments in technology, the e-banking services have begun with a view of securing ability and quality in dealings.

Since, Internet has become a custody of all people, the big banks have entered internet usage into its systems and commenced to use and present it to their clients to attract more clients. A research study examined that customers can be stimulated by incorporating the electronic system and foster the connection with customers.

Statement of the Problem:

Banking Industry is a piece of the economy in the world. Today we are placed in the time of globalization around the world. Worldwide acquaintances have acknowledged globalization as their first vital decision. Improvement in technology has encouraged globalization also. E-commerce, e-marketing, e-banking are today's buzzwords. Banks have transformed them and are offering services through the Internet. Banking institution is indispensable in a modern society. E-banking reduces time, money and efforts so, it is regarded as best practice in today world.

This research paper is to investigate the impact of e-banking services provided by the State Bank of India in Pune district in the fields of quality and efficiency that is pertinent to the work provided by these banks to customers as well as the extent to which they are satisfied with services and impact of these services on the smooth running of the work as perceived by the officials of the bank.

Objectives of the Study:

Following are the important objectives of this research:

1. To shed light on the distinctive experiment of State Bank of India regarding the e-services as well as to know the impact of such services in the efficiency and good quality of transactions, satisfaction of customers and reduction of work pressure on the employees.
2. To highlight the significant advantages rendered by banks via the e-services for the customers.
3. To project the importance of the e-banking system in a manner that serves the objectives of the banks as well as the customers.

Hypothesis of the Study:

- H1. The practice of e-banking services decreases in the work pressure of bank officials.
- H2. The e-banking services by the SBI leads to the efficiency and quality of the services provided to the customers.
- H3. The e-banking services by the SBI leads to increment of the percentage of the customers and increasing their satisfaction over the services provided by the bank.
- H4. The e-banking services lead to an increase in the percentage of customers.

Research Methodology:



The study has depended on the analytical descriptive methodology to attain the objectives of the research. This methodology aims to analyse and describe the problem in question as well as extract its various aspects and dimensions and the extent of its impact on the level of banking services. The questionnaire was employed for obtaining primary data and for testing hypothesis. The researcher has depended on the data collected via questionnaire, which was distributed among the 230 respondents to know their opinion concerning the influence of e-banking services. The questionnaire is designed carefully in precise form with considering objectives and hypothesis of the study. The 5-point Likert scale was used in the design of these questionnaires. The secondary data of the study obtained by the researcher from various references like books, journals, periodicals, research papers, relevant reports, etc.

Population and Sample:

The population comprises of certain customers of the SBI bank as well as some bank officials, who occupy various occupations. Since, the population is very large, the researcher applied sample to be random one as, this will represent faithfully the original population.

Data Analysis and Interpretation:

The questionnaires were distributed over certain officials as well as the customers of the SBI bank. After collection and examination of the questionnaires, it has become visible that there were 212 questionnaires were useful for study.

H1. The practice of e-banking services decreases in the work pressure of bank officials.

In the first hypothesis, the researcher has assumed that the usage of e-services by the SBI banks leads to the decrease of work pressure on the officials of the banks. To test the correctness of this hypothesis, the researcher has formulated a no. of expressions that he addressed to the officials of the bank. The responses for the expressions composing the hypothesis were as follows:

Table No. 1: Responses towards the practice of e-banking services.

Expressions	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The e-services have contributed to decreasing:					
Procedure of opening of bank account	122	63	19	8	0
	57.55%	29.72%	8.96%	3.77%	0.00%
Transactions regarding cash deposits	132	45	20	10	5
	62.26%	21.23%	9.43%	4.72%	2.36%
Transactions regarding cash withdrawals	145	51	12	4	0
	68.40%	24.06%	5.66%	1.89%	0.00%
The transactions regarding KYC Verification	153	49	10		0
	72.17%	23.11%	4.72%	0.00%	0.00%
The transactions	148	51	9	4	0

regarding fund transfer	69.81%	24.06%	4.25%	1.89%	0.00%
Financial transactions pertaining to payment of bills.	145	53	8	3	3
	68.40%	25.00%	3.77%	1.42%	1.42%
The percentage of daily financial transactions performed by the bank.	150	51	8	3	0
	70.75%	24.06%	3.77%	1.42%	0.00%
The burden of account auditing undertaken by bank officials.	160	42	8	2	0
	75.47%	19.81%	3.77%	0.94%	0.00%
Average	144	51	12	4	1
Avg. Percentage	67.92%	24.06%	5.66%	1.89%	0.47%

From the above table, it is observed that out of total responses 144 average respondents expressed their opinion as they were strongly agreed towards the expressions composing the first hypothesis. In other words, we can say that there were 67.92% average respondents were strongly agreed towards the expressions composing the first hypothesis. It is also observed that 51 respondents (24.06%) were expressed their views regarding the decreases in the work pressure of bank officials due to usage of e-services provided by the bank.

We also noticed here that the agreement percentage for the expression was very high. This attitude is supported by the agreement response. However, the percentage of the response of those who said disagree was 1.89% and that percentage of those who said strongly disagree was only 0.47%. This indicates that the first hypothesis of the study is correct; and that the usage of e-services at work has contributed to the decrease of work pressures suffered by bank officials.

From the above analysis, it is confirmed that the e-services contributed to the decrease of the percentage of the transactions that are undertaken by the official daily. It is also confirmed that the e- services contributed to the decrease of the cash deposits, withdrawals transactions and reception of the financial transactions that pertain to the payment of bills such as bills of electricity, water supply, telephone, or mobile charges etc., which were paid in the past by cashiers.

Lastly, it is tested and confirmed that the e-services subsidised to lessening the burden of work for officials of the banks as work discharge is undertaken electronically at the end of each workday.

H2: The e-banking services by the SBI leads to the efficiency and quality of the services provided to the customers.

In the second hypothesis, the researcher assumed that the usage of e-services by the SBI leads to the efficiency and quality of the services provided to the customers. To verify and test the correctness of the hypothesis, the researcher has carried out the analysis for the expressions forming the hypothesis for both the customers and the

officials. The results are as follows:

Table No. 2: Responses towards the efficiency and quality of e-banking services

Expressions	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The usage of e-services contributes to the reduction of the percentage of mistakes in work.	135	61	10	6	0
	63.68%	28.77%	4.72%	2.83%	0.00%
The e-services contributed to the national economy.	98	60	25	20	9
	46.23%	28.30%	11.79%	9.43%	4.25%
Conduct of financial transaction at the bank is done through the network of the e-services.	122	63	19	8	0
	57.55%	29.72%	8.96%	3.77%	0.00%
The electronic dealing at the bank is easy and quick, advanced and highly efficient.	136	55	12	6	3
	64.15%	25.94%	5.66%	2.83%	1.42%
Average	123	60	16	10	3
Avg. Percentage	58.02%	28.30%	7.55%	4.72%	1.42%

From the above table, it is observed that on an average 123 respondents (58.02%) expressed their opinion as they were strongly agreed towards the expressions composing the second hypothesis. It is also observed that 60 respondents (28.30%) were expressed their views as they are also agreed towards the expressions composing the second hypothesis regarding the efficiency and quality of e-banking services provided to the customers by SBI. It is remarked that there is a high degree of agreement over the expressions. This indicates that the second hypothesis of the study is correct. This indicates that the usage of e-banking services in the SBI contributed to the lessening in the percentage of mistakes in work, the e-banking services contributed to the economy, the procedures of financial transactions in the banks via the Network of the e-services are preferred and the e-dealings in the bank is easy, quick, advanced and with high competence.

Thus, from the above analysis, the second hypothesis were tested and confirmed that the e-banking services leads to the efficiency and quality of the services provided to the customers.

H3: The e-banking services by the SBI leads to increment of the percentage of the customers and increasing their satisfaction over the services provided by the bank.

In the third hypothesis, the researcher assumed e-banking services leads to increment of the percentage of the customers and increasing their satisfaction over the services provided SBIs. To verify and test the correctness of the hypothesis, the researcher has carried out the analysis for the expressions forming the hypothesis for both the customers and the officials. The results are as follows:

Table No. 3: Responses of customers towards the expressions forming the hypothesis.

Expressions	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The e-banking services contributed to the increase of the financial activity at the bank.	130	61	10	9	2
	61.32%	28.77%	4.72%	4.25%	0.94%
The e-banking services contributed to the increase of the number of the bank customers	102	68	19	13	10
	48.11%	32.08%	8.96%	6.13%	4.72%
The usage of e-banking services attracted the customers to the banks.	134	53	17	8	0
	63.21%	25.00%	8.02%	3.77%	0.00%
The e-banking services contributed to the increase of quality of work presented by the bank	120	55	12	16	9
	56.60%	25.94%	5.66%	7.55%	4.25%
Average	122	59	15	12	5
Avg. Percentage	57.55%	27.83%	7.08%	5.66%	2.36%

From the above table no.3, it is observed that on an average 122 respondents (57.55%) expressed their opinion as they were strongly agreed towards the expressions composing the third hypothesis. It is observed that 59 respondents (27.83%) were expressed their views as they are also agreed towards the expressions composing the third hypothesis regarding the statement that the e-banking services leads to increment of

the percentage of the customers and increasing their satisfaction over the services provided by the bank. The percentage of those who responded to the expressions of the assumption with “Strongly Agree” was 57.55% of the total responses. This attitude is supported by the agreement response, which was 27.83%, followed by that (percentage) of those who answered with “Neutral”, which was 7.08%. However, the response of those who were Strongly disagree) or (do not agree) was small and quite insignificant. This indicates that the e-banking services contributed to increase of the financial activity at the bank, increase of the customers as well as attracted the customers, their satisfaction over the services provided by the bank and increase of the quality of work presented by the bank.

Thus, from the above analysis, the third hypothesis were tested and confirmed that the e-banking services leads to increment of the percentage of the customers and increasing their satisfaction over the services provided by the SBI.

H4: The e-banking services lead to an increase in the percentage of customers.

Table No. 4: Responses of customers towards the expressions forming the hypothesis.

Expressions	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The usage of the e-services contributed...					
to the increase of the level of services.	134 63.21%	53 25.00%	17 8.02%	8 3.77%	0 0.00%
to the increase of the satisfaction of customers over the services offered by the bank.	112 48.11%	68 32.08%	19 8.96%	13 6.13%	0 0.00%
in securing an opportunity for customers to easily complete transactions, an act that increased the satisfaction of the customers of the banks.	138 48.11%	60 32.08%	9 8.96%	5 6.13%	0 0.00%
Average	128	60	15	9	0
Avg. Percentage	60.38%	28.30%	7.08%	4.25%	0.00%

From the above table no.4, it is observed that the researcher has sought to know the extent to which customers achieve a degree of satisfaction because of using e-services. All the expressions were presented to the sample, which represent customer's

category. The average percentage of those who responded to the expressions of the assumption with "strongly agree" was 60.38% of the total responses. This attitude is supported by the agreement response, which were 28.30%. However, the percentage of the response of those who said "neutral" was 7.08%. As regards the attitude rejecting the expressions of the assumption found that the percentage of those who responded with "disagree" was 4.25% and that of those who responded with "strongly disagree" was 0%, and this percentage is very small. This is indication that the fourth hypothesis is correct, especially in connection to the fact that it confirmed the achievement of the satisfaction of customers because of e-services provided by the banks. In other words, the above analysis indicates that the usage of the e-services contributed to the increase of the level of services, increase of the satisfaction of customers over the services offered by the bank, securing an opportunity for customers to easily complete transactions, an act that increased the satisfaction of the customers of the banks.

Conclusion:

After completion of the analysis of data pertaining to the hypothesis of the study, the researcher reached at the level of conclusion that the usage of e-services in the SBI banks contributed to the decrease of the percentage of mistakes at work and this leads to achieve competency at work. Additionally, the results showed that e-banking services has contributed to economy of time, because many bank transactions are now performed directly through ATM. It was found that the bank customers preferred the conduct of financial transactions in the banks via the network of e-services. This contributed for achieving quality and efficiency in the services offered by the bank. The e-banking services provides the ease to customers as well as officials to get through the process by e-delivery channel and give certain benefits in terms of satisfaction, loyalty, and convenient usage.

A study stated major's problems in the traditional banking systems, which leads to waste of time, pending transfer of money, people waiting in queue to be facilitated and errors in collecting and storing the data. As per this problem, banking institutions took the privilege of technology and integrated electronic system in banking services. Furthermore, a reduction in the reception of financial transactions that pertain to payment of various utilities bills as well as cash deposit and withdrawal transactions was also observed. Also, that the integration of technology in the banking sector has been usefully employed and e-services have reduced the burden of officials performing accounts auditing. High customer satisfaction would enable long term relationship with their customers that it would build trust towards the services provided by banks. The integration of electronic system in banks has impacted positively on the bank transaction process and increases the efficiency of rendering convenient services to the employees. Customer satisfaction has also impacted positively.

Suggestions:

The research has attained some important suggestions that needs considering spreading the culture of electronic dealing through banking services among the customers. It is suggested that proper training should be given to the bank officials on

detecting and addressing electronic mistakes as well as giving suitable solutions and remedies for such mistakes. Moreover, to impulse those concerned to participate in symposiums and workshops that seek to achieve competency in modern technologies that focus on e-banking services. It is also recommended that number of field studies and research should be conducted to know the opinions of customers on e-banking services needed by the SBI banks.

References:

1. Ahott, J., & Shang, A. (2004). The impact of the relational plan on adoption of electronic banking. *Journal of Services Marketing*, 17(1), 58-63.
2. Akwa, M. E., & Carter, A. L. (2015). Mobile phone banking in Nigeria: Benefits, problems and prospects. *International Journal of Business and Commerce*, 3(6), 52-74
3. Aladwani, A. M. (2001). Online banking: a field study of drivers, development challenges, and expectations. *International Journal of Information Management*, 21(3), 93-105.
4. Barton C. J. (2003). The diffusion of internet banking among Singapore consumers. *International journal of bank marketing*, 21(1), 16-28.
5. Bahia, K., & Nantel, J. (2000). A reliable and valid measurement scale for the perceived service quality of banks. *International Journal of Bank Marketing*, 18(2), 84-91.
6. Berner J, and Berglund J. (2015), "Factors Influencing Internet Usage in Older Adults living in Rural and Urban Sweden." *Health Informatics Journal*, pp. 237-249.
7. Foxall, G. R. (2008). A proposed model of e-trust for electronic banking. *Innovation*, 23(11), 847-860.
8. Gungham, P. (2013). *Electronic business revolution: Opportunities and challenges in the 21st century*. Springer Science & Business Media. 12(4), 88-98
9. Harton, M., & Brown, B. (2014). *The financial system and the economy: Principles of money and banking*. Routledge, 18(2), 84-95.
10. Hiroya, M. (2000), Understanding the Internet banking adoption: A unified theory of acceptance and use of technology and perceived risk application. *International Journal of Information Management*, 34(1), 5-13.
11. Jadeed, M., & Molina, A. (2004). The emergence and evolution of e-banking in Saudi Arabia: The case of samba financial group. *Frontiers of E-Business Research*, 1, 90-106.
12. Shang, A. (2003). The impact of the relational plan on adoption of electronic banking. *Journal of Services Marketing*, 17(1), 53-67.




 Principal
 Tuljaram Chaturchand College
 Baramati