

Digitalisation Transformation: How It Impact Banking Employees in Kanyakumari

***C. Annie Riya Michael and M. Gnana Muhila**

Department of Commerce, Holy Cross College (Autonomous), Nagercoil – 629004.

Affiliated to Manomaniam Sundaranar University, Tirunelveli – 627012.

*Corresponding Author - Email: annieriyamichael@holycrossngl.edu.in

ABSTRACT

The goal of this study is to determine how impact of digitalisation and other factors, such as Important Skills, Impact of Digitalization, Skills to perform in Digitization and changes after Digitalization are related to these factors. The authors used convenient sampling technique, structured survey instrument, 64 respondents from bank employees of private and public sector banks were surveyed, and the data were analysed after checking the instrument's psychometric properties by performing t-test analysis and garret rank. SPSS tools for analysis. Paperless transaction help to do the work faster has been changed after digitalization and Cyber Security knowledge should be development more for bank employees. Self-report measures, like all survey studies, suffer from common technique bias and social desirability bias. However, the authors have taken sufficient precautions to minimise these restrictions. This study contributes to both practicing bank employees and the literature on digitalization banking. This study provides a new light to Impact of Digitalisation in bank.

Keywords: Digitalization, Banking and Employee.

Introduction

The recent wave of Digitalization has generated an intense debate among economists, and attracting both strong supporters and opponents. On 14th august 1991, the Government of India (GOI) appointed a committee headed by Mr.M.Narashimham to suggest the modus operandi for reforms of the banking Sector. Digitalization means the transformation of data and information into digital structure with the reception of innovation. Now in day-to-day life most of the people in over country has smart phones and smart gadgets, and they have great knowledge about technology. In Digital society, the banking sector has been passing through a massive transformation due to growing economic reform and technology. Digitalization concept is given end-to-end service online through mobile, Tablets and the Internet. Traditional Banking operations include voucher posting, accounting, and consolidating the general ledger in manual, but after digitalization the works are done by using digital mode.

Statement of the Problem

After the banking sector underwent a rapid digital transformation characterised by the widespread adoption of technology-driven solutions and cutting-edge digital services, there is an increasing need to thoroughly research and comprehend the complex effects of digitalization

on banking employees. To understand how banking employees feels about the transition from traditional to digital banking. The researcher is motivated to select the title “Digitalisation Transformation: How It Impact Banking Employee in kanyakumari”.

Research Gap

While many studies have looked into how digitalization is affecting the banking industry and its customers, there is still a substantial knowledge vacuum regarding the complex effects of digitalization on banking workers. Even though this topic has been briefly touched upon in several research, a thorough study is required to fill in the information gaps that currently exist. So to fulfil this gap I am going to study about Digitalisation Transformation: How it Impact Banking Employees in Kanyakumari

Objectives

- To explore the digitalization in the banking sector in India.
- To study the Impact of digitalization on banking employees

Research Methodology

The study is indented to understand the digital transformation in banking employees. For this, 64 bank employees accessing digital banking were selected in the kanniyakumari using a convenient sampling technique. The primary data were collected through interview and secondary data from secondary sources is collected from Journals, websites, and bank data.

REVIEWS of Literature

Arunangshu in his paper focuses on the digitalization of the rural banking system in India. Digital banking systems have enormous potential to change the landscape of financial inclusion. They found that with the features of low cost, ease of use of digital banking can accelerate the integration of the unbanked economy to the maintenance

Jeevanandham depicts, the impact of digitalization on the Indian banking sector among 50 samples of males and females in the Dindigul. This paper covers the implications of the digitalization exercise for banks and their customers, the convenience sampling method for collecting data. The study found that lack of education leads to ignorance of digital banking. After digitalization people can check their bank account details, pay their bills Online, and transfer money to other accounts. All these things can happen only through education.

Rajeshwari in his research paper found that digital banking increases the expectations of customers from banks. With the help of secondary data, they analyze that digital banking become a milestone in Indian banking system. It enhances the growth and progress of the Indian banking. It found that due to digital banking the operating cost of banks has been reduced

rapidly. Lower operating cost means more profits for the banks. According to him, digital banking has the power change the banking structure.

Digital Payments in India

The Reserve Bank of India (RBI) installed its first computer in 1968, and a larger one in 1979. But the United Commercial (UCO) Bank, the Standard Chartered Bank, Lloyds' Bank, Grindlays, and others had installed accounting and other machines before 1966. Operations such as payrolls had been computerized fairly early on. Some head offices began to use computers by the beginning of the 1980s. Instead of increasing the bookkeeping and MIS (Management Information System).

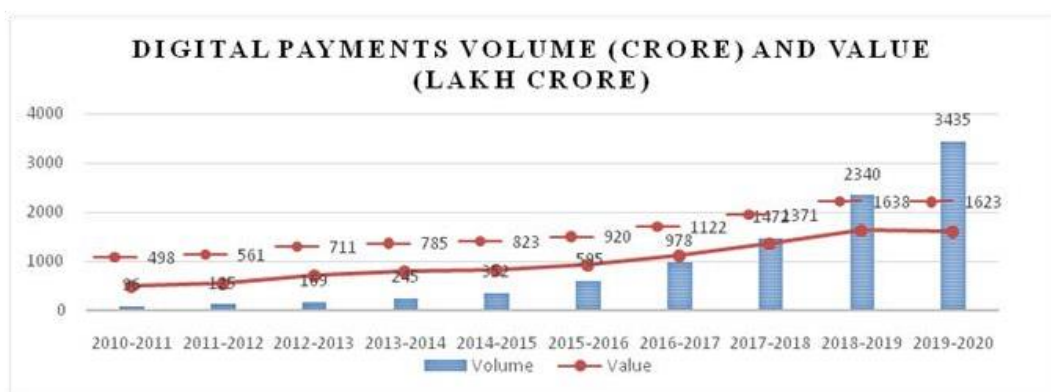
The SBEI Committee was constituted by the Reserve Bank of India in September 1988 to draw up a perspective plan for computerisation in banks, during 1990-94, and to consider other allied issues. The Committee was headed by Dr. C. Rangarajan, Deputy Governor, Reserve Bank of India, and had members drawn from Government and banks as well as financial, software/hardware, and training institutions. The Committee appointed a Technical Group to assist it in its deliberations. The Group was headed by Dr. S. Ramani, Director, NCST, with members from RBI, DOE, MTNL, NIBM, IIM, Consultants, and banks.

Digital Payment Methods

Banking Cards (Debit/ Credit/ Cash/ Travel/ Others), Unstructured Supplementary Service Data (USSD), Aadhaar Enabled Payment System (AEPS), Unified Payments interface (UPI), Mobile Wallets, Banks Pre-Paid Cards, Point of Sale, Internet Banking and Mobile banking and Micro ATM.

Digital Payments Volume and Value (2010-2020)

Fig:1



Source (RBI data)

Fig 1 shows the growth of digital payment from 2010-2020. In 2010-2011 Digital payment was only 96 Crore but in 2020 it was 3435 Crore it's was massive growth.

Data Analysis and Interpretation

Table 1
Demographic Profile of Respondents

Variables	Parameters	Frequency	Percentage
Gender	Male	36	56
	Female	28	44
	Total	64	100
Age	Below 30	14	22
	31-40	16	25
	41-50	26	40
	Above 51	8	13
	Total	64	100
Designation	Assistant Manager	12	19
	Branch Manager	18	28
	Cashier	21	33
	Clerk	13	20
	Total	64	100
Education	SSLC	13	20
	UG	18	28
	PG	16	25
	Professional	17	27
	Total	64	100
Bank Name	Canara Bank	10	16
	IDBI	14	22
	Karur Vysya Bank	13	20
	SBI	15	23
	Union Bank of India	12	19
	Total	64	100

(Source: Primary data)

Table 2
Impact of Digitalization

Particulars	Yes	No
Way of working easier after digitalization	64	0
Digitalization has changed the way of working of employees	64	0
Digitization has great impact on banking sector	64	0
Employment trends in banking has changed after digitalization	58	6

(Source: Primary data)

Table 2 revealed that 64 respondents given yes to the impact of digitalization as way of working easier after digitalization, digitalization has changed the way of working of employees and

digitization has great impact on banking sector. Only 6 respondents have given no for employment trends in banking have changed after digitalization.

Table 3
Skill to perform in Digitization

Particulars	No. of Responses	Percentage
High demand for a digital specialist	9	19
Increased in data driven decision making	4	6
Compliance handling talent	15	23
All the above	35	52
Total	64	100

(Source: Primary data)

Table 3 show that 52 per cent of respondents given preference to all the above has great impact on banking employment, 23 per cent respondent give preference to Compliance and security handling talent, 19 per cent respondent give preference to digital specialist and 6 per cent of respondents given preference to Increased in data driven decision making.

Table 4
Important Skills needed after Digitization

SI No.	Variables	Mean Score				Total	Rank	F-Statistics	Sig
		Below 30	31-40	41-50	Above 51				
1	Cyber Security	5	4.5	3.88	3.25	4.45	I	50.02	.000
2	Cloud Computing	3.64	3.87	3.84	4	3.82	IV	1.66	.202
3	Managing Risk in the Digital	4	3.81	3.84	4	3.89	III	.03	.848
4	Data Visualisation	5	3.56	4.53	5	4.20	II	.88	.350
5	Learning Technology	3	3.06	4.26	5	3.78	V	77.64	.000
Average Score		3.76	4.07	4.25	4.03				

(Source: Primary data)

*-Significant at one per cent level

It is observed from the table 4 that among the 5 variables identified, “Cyber Security” is the most important variable that is expected by the employees which is ranked first with the mean score of 4.45, followed by the variable “Data Visualisation” which is ranked second with the mean score of 4.20,”Data Visualisation”, and “Data Visualisation” have been given third and

fourth ranks with the mean source of 3.89, 3.82 respectively. The last important need after digitalisation is to “Learning Technology” which is ranked fifth with the mean score of 3.78

Table 5
Variables changed after Digitalization

SI. No.	Variables	Garret Mean	Rank
1	Helping in reducing work stress level	51.10	III
2	Paperless transaction help to do the work faster	52.92	I
3	Increased interest in work	52.37	II
4	Do work more efficiently	46.60	IV
5	Increased job Satisfaction	45.98	V

(Source: Primary data)

It is evident from the table 1.5 reveals that out of five identified Variables that changed after digitalization “Paperless transaction help to do the work faster” is the most import factor which is ranked first with the mean source of 52.92. The Variable “Increased interest in work” is ranked second with the mean source of 52.37 followed by the Variables “Helping in reducing work stress level”, “Do work more efficiently” and “Increased job Satisfaction” with the mean source of 51.10, 46.60, 45.98 are ranked third, fourth and fifth respectively by the sample respondents.

Findings

The major finding of the study is stated as blow:

- Out of 64 respondents 100 per cent have given digitalization changed their way of working, made it easier and it has a great impact in banking sector. Only 6 respondents have given no for employment a trend in banking has changed after digitalization.
- 52 per cent of respondents give preference to all the above has a great impact on banking employment, 23 per cent of respondents give preference to Compliance handling talent, 19 per cent of respondents give preference to Digital specialist and 6 per cent of respondents given preference to data is increasing Increased in data driven decision making.
- Out of 64 respondents the important skills needed after Digitalization among below 30 and above50 age group has significant difference have been identified in the case of two variables Data Cyber Security and Data Visualisation, since their respective ‘f’ statistics at one per cent level.
- Out of five identified variables that changed after digitalization “Paperless transaction help to do the work faster” is the most impact factor which is ranked first with the mean source

of 52.92. The Variable “Increased interest in work” is ranked second with the mean source of 52.37 followed by the Variables “Helping in reducing work stress level”, “Do work more efficiently” and “Increased job Satisfaction” with the mean source of 51.10, 46.60, 45.98 are ranked third, fourth and fifth respectively by the sample respondents.

Suggestions

- Create thorough training programmes that address compliance, digital skills, and data security, and provide staff with the freedom to specialise in certain areas based on their preferences.
- Create specialised training courses in data cyber security and data visualisation to meet the demands of workers under the age of 30 and over the age of 50, maximising skill growth in these important areas for both age groups.

Conclusion

Post-independence lot of changes have been happened in India in all the sector, like banks also developed an in massive level, first in banking process there was only were vouching methods and a ledger for the banking process. Day by day it got changed and in 1990^s banking process digitalization has been introduced in India. In 1998 E-banking has been started then in 2003 multi-channel integration and Omni channel and now the internet of everything. Electronic banking is a modern technology offered by banks to their customers so that they can conveniently conduct their banking transactions at a time that suits them and can access their bank account 24 hours a day and 7 days a week. During the pandemic period digital banking was so useful. Banking employee’s works is also done easily after digitization, so they are happily doing their work and the stress level of the employees is also reduced and due to that employees are satisfied with the job. If the “Employees in the banks are happy the customers who come to the bank also happy”. Banks plays an important role in Indian economy.

Reference

1. Acharya, V. V., Khandwala, H., & Öncü, T. S. The growth of a shadow banking system in emerging markets: Evidence from India. *Journal of International Money and Finance*, (2013); 39(2), 229 – 230
2. Jeevanandham P. The Impact of Digitalisation on Indian Banking Sector, *Zeichen Journal*, 2020; 6(9), 14 – 21.
3. Rajeshwari M. Digital Banking and Indian Perspective, *International Journal of Economics and Finance*, 2020; 10, (3), 1 - 5.

<https://www.digitalindia.gov.in/https://rbi.org.in/>