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Adoption of Digital Technologies by Bank Employees in Pune City Maharashtra.

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ABSTRACT:

The banking sector is experiencing a paradigm shift from branch banking to networked financial services due to the growth of technology. To enhance the quality of financial services, banks have applied IT to a variety of back-end and front-end operations and are continuing to do so. This might not produce better outcomes but employees-also known as internal customers are encouraged and motivated to provide higher services to bank clients. The study takes a quantitative approach and uses a well-structured questionnaire to gather information from 166 respondents. This study aims to determine and validate the underlying variables affecting bank workers' attitudes toward technology-enabled banking and examine the association between the identified factors to adopt digitalization. Depending on the sort of bank, bankers have quite different perceptions of the accessibility of technical support.

Keywords: Digital transformation, employee perception, digital banking

Introduction:

The financial sector have long been a significant player in technology. The banks, one of the oldermost financial organisations, have become more and more technology-driven, whether it be in terms of hardware, middleware, or software. Technology has developed into a crucial resource because its absence can result in a lack of information, bad services, inability to adapt, and economic collapse.

The banking industry has changed due to technology, and banks are increasingly adopting non-branch banking to add value for their customers. For banks to continue to be competitive and offer consumers value-added services, IT has become an essential resource. In the age of change, it is essential for banks to use technology-based services to thrive in the constantly shifting market. In the banking industry, technology and service calibre are directly related. The banking industry, which is a crucial part of India's expanding BFSI industry, assumes the presence of the much-studied services marketing triangle that has been advocated below. It claims that personnel are essential to the success of services. In the last two decades, client-centricity has changed, and banks are now more focused than ever on delivering timely service via a variety of channels. Because of this, the workplace environment for bank staff has had to change structurally. Employees now need to retrain, re-skill, and upgrade in order to deliver high-quality services.

To keep banks competitive, personnel who are at the forefront of implementing technology and technological innovations must play a crucial role. In this situation, bank workers must also improve their knowledge and skill sets in order to increase the productiveness of the institution.

Technology benefits the bank in three ways: for the client, the bank, and the staff. However, the employees' benefits are rarely highlighted. Modern banking's technological approach is centred on integrating all connection points to produce a unified customer experience. To achieve this, leadership, culture, technology, people, and process must be coordinated and integrated. The main objective of this paper is to investigate the factors influencing bank employees to adopt technology.

Literature Review:

Retail banks have historically relied on physical distribution, but Skinner (2014) contends that they must now convert to virtual distribution, which is a mature and reliable technology. We now have a young generation known as "digital natives" that was raised online. These folks use digital channels effortlessly because they live their entire lives online. With only one medium, and it being a digital medium, banks should now give up on their multi-channel efforts and transition to becoming digital banks.

According to Cuesto et al., there are three steps to the digitalisation of a bank: the first involves the generation of new channels and products, the second necessitates the adaptation of digital infra-structure, and the third entails significant organisational changes in order to achieve strategic positioning in the digital world.

Any new technology that replaces the more established or accustomed way of doing work is likely to produce disruption in the company, according to Davis et al. (1989). According to him, managers and employees both play crucial roles in the implementation of the plan.

The technology acceptance theory has primarily been utilised to examine acceptance of technology by customer (Venkatesh & Davis, 2000); employee acceptance has only occasionally been examined (Ong et al., 2004; Lau & Woods, 2008).

Research methodology:

The research is a combination of qualitative and quantitative methods. The staff of various banks in Pune were given a structured questionnaire with 24 statements that were scored on a 5-point Likert scale. There were a total of 166 samples gathered using the non-probability sampling method. Data analysis was carried out using SPSS 21.0. The elements that affect how employees perceive technology are determined via an exploratory factor analysis.

Research Hypothesis:

H0: Attitude of bank employees towards technology has a negative impact on their adoption intension of digital services.

H1: Attitude of bank employees towards technology has a positive impact on their adoption intension of digital services.

Data Analysis and Interpretation:

Table 1: Demographic profile

Particulars	Frequency	Percent	Cumulative Percent
Gender			
Male	**72**	**43.37**	**43.37**
Female	**94**	**56.63**	**100**
Age			
20-30 years	**45**	**27.1**	**27.1**
30-40 years	**75**	**45.18**	**72.28**
40-50 years	**43**	**25.9**	**98.18**
Above 50 years	**3**	**1.8**	**100**
Total	**166**	**100**	
Experience			
Less than 5 years	**35**	**21.08**	**21.08**
5year – 10years	**71**	**42.77**	**63.85**
More than 10years	**60**	**36.14**	**100**
Working on Computer(in number of hours per day)			
0 to 2 hours	**4**	**2.4**	**2.4**
2 to 4 hours	**10**	**6.02**	**8.42**
4 to 6 hours	**21**	**12.65**	**21.07**

More than 6 hours	**131**	**78.91**	**100**
Total	**166**	**100**	**100**
1(b) Training Program Attended			
Yes	**115**	**69.64**	**69.64**
No	**51**	**30.36**	**100**
Total	**166**	**100**	**100**

Source: Primary Data

Interpretation: The demographic profile of the respondents is presented in table 1(a). As per table 1(b), the bank's training programmes were attended by the staff for an average of 30 days. As per the aforementioned table, over 70% of bank workers have participated in training sessions held by the bank. This demonstrates how proactive banks are in offering training, which is a prerequisite for staff productivity as outlined in the service-profit chain.

Table 2: Reliability Statistics

Cronbach's Alpha	**N of Items**
.944	24

Source: Primary Data

Interpretation: From the above table, the 24 item scale's computed Cronbach alpha is .0.994, demonstrating reliability of the data.

Table 3: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.751
Bartlett's Test of Sphericity	Approx. Chi-Square	1641.234
	Df	253
	Sig.	.000

Source: Primary Data

Interpretation: In KMO and Bartlett's test the KMO adequacy is 0.751 which demonstrates that the questionnaire's components are accepted.

Table 4: Total Variance Explained

Component	**Initial Eigenvalues**			**Extraction Sums of Squared Loadings**			**Rotation Sums of Squared Loadings**		
	Total	**% of Variance**	**Cumulative %**	**Total**	**% of Variance**	**Cumulative %**	**Total**	**% of Variance**	**Cumulative %**
1	11.634	48.476	48.476	11.634	48.476	48.476	6.718	27.991	27.991
2	2.575	10.728	59.204	2.575	10.728	59.204	4.836	20.148	48.139
3	2.090	8.707	67.911	2.090	8.707	67.911	2.341	9.755	57.894
4	1.493	6.220	74.131	1.493	6.220	74.131	2.300	9.583	67.477
5	1.412	5.882	80.013	1.412	5.882	80.013	2.251	9.381	76.858
6	1.011	4.214	84.227	1.011	4.214	84.227	1.769	7.369	84.227
7	.716	2.982	87.209						
8	.647	2.694	89.902						
9	.567	2.364	92.266						
10	.447	1.864	94.130						
11	.364	1.515	95.645						

12	.263	1.094	96.739						
13	.233	.970	97.709						
14	.157	.655	98.363						
15	.124	.519	98.882						
16	.080	.335	99.217						
17	.063	.261	99.478						
18	.042	.173	99.651						
19	.025	.106	99.757						
20	.019	.081	99.838						
21	.015	.061	99.899						
22	.013	.053	99.952						
23	.012	.048	100.000						
24	1.010E-013	1.043E-013	100.000						
Extraction Method: Principal Component Analysis.									

Source: Primary Data

Interpretation: From the above table, it shows that the extracted total variance is 84.22%. It is an excellent extraction because this demonstrates that just 15.78% of the variation is lost.

Table 5: Factor Matrix

Factor Name	**Variables**	**Factor Loading**	**Variance (%)**
1. Working Environment	Security Considerations	0.779	27.991
	Legal Consideration	0.903	
	Reduce work	0.608	
	Free from repetitive work	0.564	
2. Ease of use	Saves time	0.871	20.148
	Convenience	0.914	
	Improves Coordination	0.654	
	Speeds up work	0.790	
3. Skills	Improves Skills	0.737	9.755
	Work culture	0.606	
	E-banking solutions	0.879	
	Competencies	0.820	
4. Management Support	Active participation in implementation	0.901	9.583
	Confidence in implementation	0.765	
	Removes constraints	0.792	

	Creating trust	0.893	
5. Employee learning	Learning outcome of employees	0.594	9.381
	Results achieved	0.851	
6. Investment on IT	Investment	0.709	7.369
	Efficiency	0.852	

Source: Primary Data

Factor1: Work Infrastructure

Work Infrastructure is the first and most significant element, with a variance of 27.991%. According to study, Indian Bank employees think that implementing e-banking with the proper security and legal framework is crucial. Employees agree that technology minimizes repetitious tasks in the bank and that it aids in addressing concerns with network security, hardware security, and banking application security..

Factor 2: Ease of Use

The ease of use component, which has a variance of 20.148%, demonstrates that bank staff in India believes that technology helps to provide convenience for bank clients and eliminates time and geographic constraints for them. Employees believe that e-banking is beneficial for clients since it saves users time. Additionally, the staff believes that e-banking improves employee coordination, which provides fast work.

Factor 3: Skills

Employees believe that working in an e-banking environment improves their skills(with variance of 9.755%) which are compatible with all banking-related activities. Implementing e-banking requires a high level of competence. Employees think they have the necessary knowledge and abilities to understand and use e-banking, and if given the proper training, they are comfortable enough to take part in and help with its implementation.

Factor 4: Management support

With a variance of 9.583%, the fourth factor, management support, shows that employees are very supportive of the execution of e-banking. This is because they believe that technology promotes customer trust in banks. Additionally, it eliminates their restrictions on time and place.

Factor 5: Employee learning

Employee learning shows a variance of 9.381%, indicating that e-banking implementation results in improved employee learning and competencies.

Factor 6: IT Investment

The final element shows a variance of 7.369%, indicating that Indian bank personnel believes spending money on hardware, software, and banking applications speeds up work and improves efficiency, which in turn improves customer satisfaction.

Table 6: hypothesis result

Hypothesis	**Path**	**Pearson Correlation**	**Sig. (2-tailed)**	**Comment**
HI	A → B	0.711	0.000	Supported

**. Correlation is significant @ 0.01 levels (2-tailed).

Interpretation: The above finding shows that there is a positive association between employees' attitude and their intension to use digital services.

Table 7: Coefficients [a]

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	**Std. Error**	**Beta**		
1	(Constant)	-3.592	.493		-7.288	.000
	VAR00024	.831	.112	.711	7.427	.000
a. Dependent Variable: Intension to use						

Interpretation: The beta value of attitude was 0.831 with a p-value of 0.00. Thus,Attitude of bank employees towards technology has a positive effect on their adoption intension of digital services, and hence, alternative hypothesis is accepted.

Conclusion

The research's findings confirm that the bank plays a crucial role in fostering technology usage at workplace. It is clear that almost all respondents concur that management plays a crucial role in encouraging technology adoption at bank. The variables like training, employee learning, support from management, and coordination show that employee have a positive attitude about technology at bank, specifically when banks motivates it. The study focuses on the elements that need to be taken into account to enhance technological acceptance at workplace, particularly in the context of Indian bank.

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