

## **A Study on the Impact of Risks and Benefits of E-Banking on Private Bank Employees' Satisfaction In Tiruchendur**

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### **INTRODUCTION**

E- banking, also known as Electronic banking, is an electronic payment system that enables customers of a bank or other financial institution to conduct a range of financial transactions through the financial institution's website. The E- banking system will typically connect to or be part of the core banking system operated by a bank and is in contrast to branch banking which was the traditional way customers accessed banking services. Some banks operate as a "direct bank" (or "virtual bank"), where they rely completely on E-banking. Internet banking software provides personal and corporate banking services offering features such as viewing account balances, obtaining statements, checking recent transaction and making payments without going to banks. Thus in this research article, the researchers have made an attempt to study about the "impact of Risks and Benefits of E-banking on Private Bank Employees' Satisfaction in Tiruchendur".

### **FRAMED OBJECTIVES**

The following objectives are framed in order to analyze the" impact of Risks and Benefits of E-banking on Private Bank Employees' Satisfaction in Tiruchendur".

- ❖ To analyze the demographic profile of Private bank employees in Tiruchendur Taluk
- ❖ To identify the benefits of E-banking to the Private bank employees in Tiruchendur Taluk.
- ❖ To exhibits the risks associated with the E-banking to the Private bank employees in Tiruchendur Taluk
- ❖ To find the relationship between Risk and benefits of E-banking on Private Bank Employees' Satisfaction

### **STATEMENT OF THE PROBLEM**

This study aims to make an in depth study for addressing the following research issues.

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- ❖ What are the benefits of E-banking to the Private bank employees in Tiruchendur Taluk?
- ❖ What are the risks associated with the E-banking to the Private bank employees in Tiruchendur Taluk?
- ❖ How the Risk and benefits of E-banking impact on Private Bank Employees' Satisfaction.

## **METHODOLOGY FORMULATED**

This research article is mainly based on primary data. Primary data were collected by using well structured questionnaire, that data analyzed statistically by using Percentage methods, Chi Square analysis, ANOVA. Private Bankers those who have provides E-banking selected as respondents. Totally 60 employees selected as sample by using simple random sampling methods. Secondary data were collected from various books, websites etc.

## **HYPOTHESES OF THE STUDY**

The authors formulated the following hypotheses for testing the significance of the objectives.

- ❖ Ho: There is no mean difference between benefits received from E-banking and level of satisfaction of private bank employees
- ❖ H1: There is a mean difference between benefits received from E-banking and level of satisfaction of private bank employees
- ❖ Ho: There is no association between age and Risk associated with E-banking of private bank employees
- ❖ H1: There is no association between age and Risk associated with E-banking of private bank employees

## **ANALYSIS AND INTERPRETATION**

**TABLE: 1**  
**DEMOGRAPHIC PROFILE OF THE RESPONDENTS**

| S.No         | AGE         | NO OF THE RESPONDENTS | PERCENTAGE |
|--------------|-------------|-----------------------|------------|
| 1            | Below 25    | 17                    | 28.3       |
| 2            | 25 – 35     | 19                    | 31.7       |
| 3            | 35 – 45     | 17                    | 28.3       |
| 4            | Above 45    | 7                     | 11.7       |
| <b>TOTAL</b> |             | <b>60</b>             | <b>100</b> |
| S.NO         | EDUCATIONAL | NO OF THE             | PERCENTAGE |

|              | QUALIFICATION   | RESPONDENTS           |            |
|--------------|-----------------|-----------------------|------------|
| 1            | Graduates       | 29                    | 48.3       |
| 2            | Post Graduates  | 23                    | 38.3       |
| 3            | Professionals   | 8                     | 13.3       |
| 4            | Others          | -                     | -          |
| <b>TOTAL</b> |                 | <b>60</b>             | <b>100</b> |
| S.NO         | GENDER          | NO OF THE RESPONDENTS | PERCENTAGE |
| 1            | Male            | 28                    | 46.7       |
| 2            | Female          | 32                    | 53.3       |
| <b>TOTAL</b> |                 | <b>60</b>             | <b>100</b> |
| S.NO         | MARITAL STATUS  | NO OF THE RESPONDENTS | PERCENTAGE |
| 1            | Un Married      | 32                    | 53.3       |
| 2            | Married         | 28                    | 46.7       |
| <b>TOTAL</b> |                 | <b>60</b>             | <b>100</b> |
| S.NO         | INCOME          | NO OF THE RESPONDENTS | PERCENTAGE |
| 1            | below 10,000    | 6                     | 10         |
| 2            | 10,000 - 15,000 | 19                    | 31.7       |
| 3            | 15,000 - 20,000 | 21                    | 35         |
| 4            | 20,000 – 25,000 | 10                    | 16.7       |
| 5            | Above 25,000    | 4                     | 6.7        |
| <b>TOTAL</b> |                 | <b>60</b>             | <b>100</b> |

**Source: Primary Data**

From the above table it can be understand that, majority of the respondents (31.7%) are in the age group of 25-35 years, most of the respondents (48.3%) are graduates, majority of them (53.3%) are female, most of the respondents (53.3%) are married, and majority of them (35%) are earning a monthly income of Rs.15,000-20,000.

**TABLE 2**  
**BENEFITS RECEIVED BY THE RESPONDENTS BY E-BANKING**

| S.NO         | PARTICULARS | NO OF THE RESPONDENTS | PERCENTAGE |
|--------------|-------------|-----------------------|------------|
| 1            | Yes         | 44                    | 73.3       |
| 2            | No          | 16                    | 26.7       |
| <b>TOTAL</b> |             | <b>60</b>             | <b>100</b> |

**Source: Primary Data**

From the above table in can be understand that, 73.3% of the respondents told that they received benefits from E-Banking and the remaining 26.7% of the respondents told that they didn't received benefits from E-Banking.

**TABLE 3****RESPONDENTS' OPINION ON RISK WITH E-BANKING**

| S.NO         | PARTICULARS | NO OF THE RESPONDENTS | PERCENTAGE |
|--------------|-------------|-----------------------|------------|
| 1            | Yes         | 44                    | 73.3       |
| 2            | No          | 16                    | 26.7       |
| <b>TOTAL</b> |             | <b>60</b>             | <b>100</b> |

**Source: Primary Data**

From the above table it reveals that 73.3% of the respondents told that, risk is associated with the E-banking and the remaining 26.7% of the respondents told that, risk is not associated with the E-banking

**TABLE 4****RELATIONSHIP BETWEEN AGE AND BENEFITS RECEIVED BY E-BANKING**

| S.NO         | AGE      | BENEFITS RECEIVED |           | PERCENTAGE |
|--------------|----------|-------------------|-----------|------------|
|              |          | YES               | NO        |            |
| 1            | Below 25 | 11                | 6         | 17         |
| 2            | 25 – 35  | 17                | 3         | 20         |
| 3            | 35- 45   | 14                | 3         | 17         |
| 4            | Above 45 | 2                 | 4         | 6          |
| <b>TOTAL</b> |          | <b>44</b>         | <b>16</b> | <b>60</b>  |

**Source: Primary Data****TABLE 6****RESPONDENT'S OPINION ON LEVEL OF RISK, JOB SATISFACTION AND BENEFITS**

| Particulars           | N  | Minimum | Maximum | Mean | Std. Deviation |
|-----------------------|----|---------|---------|------|----------------|
| level of Risk         | 60 | 1       | 10      | 6.07 | 2.162          |
| level of Satisfaction | 60 | 1       | 10      | 6.22 | 2.300          |
| opinion on benefits   | 60 | 1       | 10      | 5.97 | 2.518          |
| Valid N (list wise)   | 60 |         |         |      |                |

From the above table it understands that, most of the respondents told moderate risk associated with the E-banking. It reveals from the mean value of 6.07. Majority of the respondents were moderately satisfied with their job. It exhibits from the mean value of 6.22. Most of the respondents having the opinion of that moderately E-banking is benefit to them. It exhibits from the mean value of 5.97.

**TABLE 7**  
**INDEPENDENT SAMPLES TEST**

| Benefits received     |     | N  | Mean | Std. Deviation | Std. Error Mean | Levene's Test for Equality of Variances |      |
|-----------------------|-----|----|------|----------------|-----------------|---|------|
| level of Satisfaction | Yes | 44 | 6.23 | 2.311          | .348            | F                                       | Sig. |
|                       | No  | 16 | 6.19 | 2.344          | .586            |   |      |

From the above table analyze the mean difference between benefits received from E-banking and level of satisfaction of private bank employees. It reveals that the significant value of F is less than 0.05. Thus the  $H_0$  is rejected. So it is concluded that there is a mean difference between benefits received from E-banking and level of satisfaction of private bank employees.

## **FINDINGS OF THE STUDY**

The major findings of the study are as follows,

- ❖ From the analysis it can be understand that, majority of the private bank employees (31.7%) are in the age group of 25-35 years, most of the private bank employees (48.3%) are graduates, majority of them (53.3%) are female.
- ❖ Most of the private bank employees (53.3%) are married, and majority of them (35%) are earning a monthly income of Rs.15, 000-20,000.
- ❖ Majority of the private bank employees (73.3%) told that they received benefits from E-Banking. It exhibits that E-banking is benefited to bank employees like Faster Transactions, convenience, security, easy access, speed and efficiency.
- ❖ Majority of the private bank employees (73.3%) told that risk is associated with the E-banking like security risk, money laundering, operational risk and legal risk etc.
- ❖ Most of the private bank employees told that moderate risk associated with the E-banking. It reveals from the mean value of 6.07.
- ❖ Majority of the private bank employees were moderately satisfied with their job. It exhibits from the mean value of 6.22.
- ❖ Most of the private bank employees having the opinion of that moderately E-banking is benefit to them. It exhibits from the mean value of 5.97.
- ❖ It reveals from the independent T – Test, that the significant value of F is less than 0.05. Thus the  $H_0$  is rejected. So it is concluded that there is a mean difference between benefits received from E-banking and level of satisfaction of private bank employees.

- ❖ From the chi-square test it exhibits that, the calculated value of Chi-square value is higher than the table value of 0.05 at 5% level of significance. Thus the null hypothesis was accepted. So it is inferred that there is no association between age and Risk associated with E-banking of private bank employees

## **RECOMMENDATIONS AND CONCLUSION**

The usage of e banking by the enterprises came into existence in mid 90's.e banking came into existence in greater numbers because of low operating costs. First it is in the form of ATM's and phone transactions. Recently it transformed to internet a new channel between customers and banks which benefits both. The main aim of e- banking services is to provide the customers a much faster services with low cost. From the last twenty years, banking sector has chosen a new method of banking based on the progress of information technology. However the current trend of exclusively using the online mode to make all kinds of transactions has a few pitfalls which may prove costly in the long run unless guarded against from the beginning. Thus it is concluded that, the banks should necessary action to reduce the risk and drawback of E-banking such as Operational Risk, Security Risk, and Risks due to system architecture and design in order to improve the job satisfaction of their employees.

## **REFERENCE**

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