

THE INFLUENCES OF BEHAVIORAL ASPECTS OF BANK EMPLOYEES AND CUSTOMERS ON ADOPTION OF ICT IN CO-OPERATIVE BANKS.

Arun P Dev and Dr. R Rajendran

Department of Business Administration, Annamalai University, Annamalai Nagar, Tamilnadu- 608002.

Abstract

Researcher examines the direct and indirect behavioral aspects of both bank employees and customers on Adoption of ICT in co-operative banks. And present a Conceptual frame work which explains the relation between the banks employees reaction towards the ICT adoption same as the customers reaction regarding the same. Positive reaction of both Bank employees and customers shows a green signal to adoption of ICT which leads to overall performance of the Bank.

Key words: *ICT, Behavioral Aspects, Technology.*

Introduction

In this Digital era, we witness remarkable changes in the world economy itself. The Changes and up gradation of ICT facilitated seamless flow of development in all the sectors. In particular, those developments in Information and Communications Technologies are significantly persuading all the activities of a common man in everyday life. This created a culture of easy doing things. Apparently Financial Institutions has already stepped into the adoption of ICT in order to survive and keep a safe place in the market. It enforces the Co-Operative Banks to Adopt the ICT. The adoption of ICT is defined as a collective term for a wide range of software, hardware, telecommunications, information management techniques, applications and devices that are used to create, produce, analyze, process, receive, retrieve, store and transform information[1]. Implementation of ICT benefits the customers by reducing the time and inconvenience of banking transactions. Besides them, successful investment in technology can lead to enhanced productivity, while failed systems could lead to undesirable consequences such as financial losses and dissatisfaction among employees and customers [2] if truth be told customer satisfaction and customer service delivery is the indicator of bank's performance. Where, Adoption of ICT strives to meet the same. But Co-operative banks are still in the initial troubles. Among those, Behavioral aspects of Bank employees and customers are top in the list. Even, Banks have made huge investments in telecommunication and electronic systems, users have also been validated to accept the electronic banking system as useful and easy to use [3]. Similarly while adopting ICT, Collaboration of employees also must be ensured and the authority must be capable of convincing the employees about the benefits and prospects of ICT adoption. It is quite evident that behavioral aspect of both employees and customers are imperatively essential in adoption of

ICT in banks. The main thrust of this article is to study the Influence of Behavioral aspects of Bank employees and Customers on adoption of ICT in Co-operative banks.

Review of literature

Advancement in technology has brought many changes and competition among banking Industries. In order to survive in market, all the banking institutions are stepped into the Adoption of ICT. Regarding co-operative banks, many of them are Implemented Electronic mode of transactions and some of them are at the starting point. Previous studies had upshots that, the Behavioral aspects must be given focus in the process of adoption of ICT

Nyangosi and Arora (2009) in his study he state the worth of adoption of ICT. In his words, internet banking was gained popularity and become vital in financial transaction events, especially Digital financial services like internet banking and mobile banking to know the extent it can be used by customers and the services already in the market. Information and communication Technology has tremendously contributed to the expansion of the banking networks and range of the offered services during recent years.

Here the author clearly says that the need and important of adoption of ICT. When it comes to co-operative Banks, most of the institutions are harvesting the prospects of ICT and some of them are facing the initial troubles.

Morufu and Taibat (2012) researched on banker's perception of electronic banking. To find out how bankers perceive the benefits and threats associated with electronic banking by investigating banks employees' perception on electronic banking and its implementation on bank service delivery. The study concluded that 'minimizes inconvenience' and 'government access to data' appear as the most important benefit and risk respectively while 'reduces HR requirements' and 'charges high costs for services' are the least important benefits and risk associated with electronic banking.

He addresses both positive and negative sides of the ICT. From his words it is clearly evident that ICT can bring Positive impact on the profitability as well as it reduces the work load. Which helps the Banker's to meet Satisfaction level at its rational point.

However, Succession of ICT Adoption depends upon the Attitude and incorporation of Bank Employees towards the same.

Morufu, & Taibat, (2012) in their views the Bank Authority's responsibility is to ensure that branch staffs must be professional, well-trained and knowledgeable about the range of services provided by bank. As we know, the bank employees are directly having relation with bank customers. A well maintained relation always brings positive feedback and it helps to attract more customers towards Bank. An employee represents the whole Bank itself. So, any disappointed behavior of employee may cause to loss bank's credibility and trustworthy. In order to maintain healthy relation with customers, all the employees must go through proper training and must gain thorough knowledge regarding ICT. This seems as the initial obstacle from the part of employees. Those obstacles can be drawn attention to: fear of new working atmosphere,

Lack of thorough knowledge of technology, Poor updated computer knowledge, Loss of Job opportunity, and Fear of Cyber related errors and so on.

Apparently, customer behavior takes place a prominent role in the succession of adoption of ICT. Customers have their own unique expectations on service delivery and quality of service.

According to **Alhaji Abubakar (2012)** Customer's behavior is dynamic and to be studied regularly. Increasing awareness, globalization, deregulation, living standards and urbanization has led to increase in the changing preference and the same has forced the banking industry to change their product features and customer service delivery.

Due to the adoption of ICT customer's outlook over the Bank has been changed. Normally they expect something beyond the previous. Customers behavior is an important factor which should be consider while adoption the ICT. Customer's willingness towards electronic mode of Banking should be investigated. The Implementation of ICT has raised customer's understanding to fast and proficient customer service delivery.

Keeton (2001) through his study 'The transformation of Banking and its Impact on consumer and small business' he derived a reasonable finding that, The spread of electronic banking should also benefit customers by reducing the time and inconvenience of banking transactions and in very small communities, by providing access to electronic banking services that might otherwise be unavailable.

Customers are looking forward to fast and errorless financial activities. That is more convenient in this fast moving digital era and users friendly approach is always welcomed by the customers. Besides, customers are arising some doubtful queries regarding ICT too. Under educated People are not familiar with computer operation and use of new gadgets. It should consider and the Bank must take any alternative options to prevent this issue.

Objective of the Study

To study the influential level of Behavioral aspects of Bank employees and Customers on adoption of ICT in Co-operative banks.

Scope of the Research

The main focal point of this research is to study the influence of Bank employees and customers towards the adoption of the ICT in co-operative banks. Besides, in this competitive modern Indian banking system co-operative banks are forced to step into the electronic mode of Banking. While adopting the ICT there are certain barriers to overcome, In particular Behavioral aspects of both employees and customers seems highly important among them. Therefore, there is scope of conducting a study focuses on the Behavioral aspects of Bank employees and Customers on adoption of ICT in Co-operative banks. And the scale of this research is limited only to the co-operative banks in Thiruvananthapuram District.

Significance of the study

This article aims at contributing to the phase by focusing on the influence of Behavioral factors of ICT adoption in co-operative banks. This study helps the banks those are planning to adopt electronic mode of banking system, by discovering the expectations and attitude of both employees and customers of co-operative banks towards adoption of ICT. Similarly it will be an invaluable source of information regarding ICT adoption. Especially, the behavioral and psychological factors of the process of ICT adoption can be generated through this study, and this research can be utilized as a reference and guide for future related studies.

Research Gap

Researcher found on through the numerous references that, there are several studies were made on the topic related to Information and Communication Technology (ICT). But it is quite evident that, no specific study is conducted focusing on influence of behavioral factors on adoption of ICT in co-operative banks. Hence the present study is carried out with the hope that the findings and suggestions arrived throughout this study possibly will help the co-operative banks during implementation of ICT in their banks.

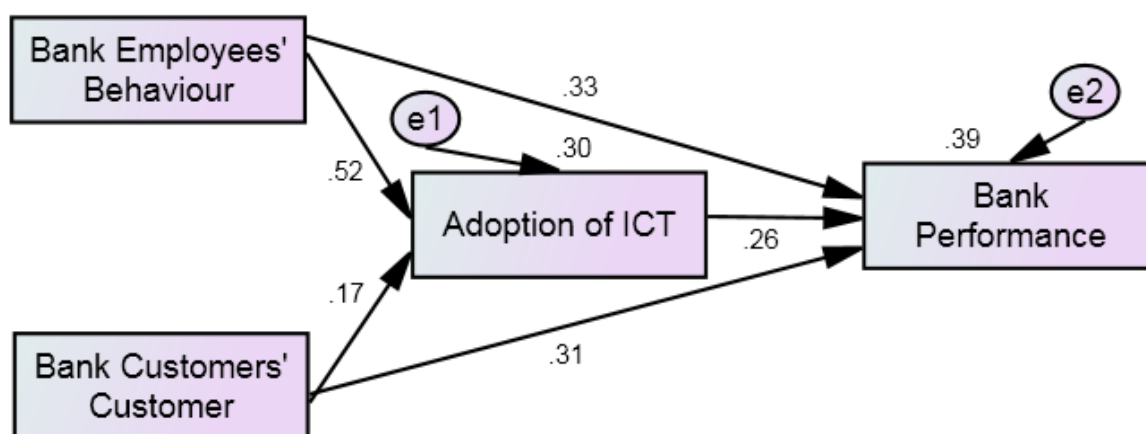
Statement of the problem

During this fast changing scenario, all the existing things are forced to outdated and many new alternatives are replaced and engaged in the society. Especially the emergence of electronics is started to replace many or almost all the manual applications of human beings. In connection to this, The Banking industry is already started to execute the electronic mode of transactions in to the day to day business activities. However, the Co-operative banks are one step behind to convert their conventional banking into electronic mode of banking due to various reasons and obstacles. Among those reasons and obstacles, the behavioral aspect of the employees and customers are playing a vital role. There is a vast amount of resistance and hesitation from the employees because of poor technical knowledge and poor working attitude. Likewise the customers of the co-operative banks are most undereducated and they too having a sense of insecure feeling. And initially they object this move. So, the co-operative banks have to properly educate the employees and customers. Then, the authority has to adopt the ICT into the banking system. Indeed it is not an easy task, the co-operative banks have to apply suitable strategies to overcome these issues and begin the process. To address the behavioral aspects of this Issues and challenges, first of all the negative attitude towards the adoption of ICT needs to be disappeared and they must be molded to believe and trust the ICT. So, it is an interesting issue which can be coined as a research issue. that is why the research has decided to put his research work on the title of "The influences of behavioral aspects of bank employees and customers on adoption of ICT in co-operative banks".

Research design and Methodology

This study is comprised of Descriptive research design. The purpose of this study was to collect detailed and factual data and to illustrate the existing phenomenon. Target population of the study was employees and customers of Primary co-operative banks in Thiruvananthapuram district, Kerala. There were 70 primary co-operative banks in Thiruvananthapuram. 350 bank employees and 350 customers were selected Through Random sampling method and convenient sampling method respectively. A Structured questionnaire designed to collect the assessment and view about Adoption of ICT in Primary co-operative banks and the researcher used Survey approach to collect the data.

Conceptual framework



Data Analysis

Table 1: Model Fit

Indicators	Observed	Recommended (Premapriya, et al. 2016) and Velaudham and Baskar (2015)
Chi-Square	2.324	--
P	0.432	Greater than 0.050
GFI	0.999	Greater than 0.90
AGFI	0.943	Greater than 0.90
CFI	0.996	Greater than 0.90
NFI	0.999	Greater than 0.90
RMS	0.003	Less than 0.080
RMSEA	0.000	Less than 0.080

Source: primary data

The above model fit table found that the calculated chi-square value was 2.234. The p value was greater than five percent level. The Goodness of Fit Index value and Adjusted Goodness of Fit Index values were greater than 0.90. This result was perfectly fit the calculated Comparative Fit Index and Normal Fit

Index values were greater than 0.90. It was found that RMS and Root Mean Square Error of Approximation values were less than 0.08. The above indicators indicate that it was perfectly fit.

Table 2: Regression Weights

DV		IV	Estimate	S.E.	C.R.	Beta	p
Adoption of ICT	<---	bank employees' behavior	0.374	0.025	15.083	0.521	0.001
Adoption of ICT	<---	bank customers' behavior	0.161	0.032	4.977	0.172	0.001
Bank Performance	<---	Bank Employees' Behavior	0.415	0.048	8.596	0.328	0.001
Bank Performance	<---	Bank Customers' Behavior	0.503	0.054	9.260	0.306	0.001
Bank Performance	<---	Adoption of ICT	0.461	0.068	6.757	0.262	0.001

Source: primary data

H₀: There is no influence of bank employees' behavior on adoption of ICT.

Influence of bank employees' behavior on adoption of ICT calculated value of CR is 15.083. The Beta value was 0.521. The beta value indicates that 52.1 percent of influence is through bank employees' behavior towards adoption of ICT. The p value was 0.001. The p value was less than 1% and the hypothesis was rejected. Hence, it can be concluded that the bank employees' behavior influences adoption of ICT in co-operative bank.

H₀: There is no influence of bank customers' behavior on adoption of ICT.

Influence of bank customers' behavior on adoption of ICT calculated value of CR is 4.977. The Beta value was 0.172. The beta value indicates that 17.2 percent of influence is through bank customers' behavior towards adoption of ICT. The p value was 0.001. The p value was less than 1% and the hypothesis was rejected. Hence, it can be concluded that the bank customers' behavior influences adoption of ICT in co-operative bank.

H₀: There is no influence of bank customers' behavior on bank performance.

Influence of bank customers' behavior on bank performance calculated value of CR is 9.260. The Beta value was 0.306. The beta value indicates that 30.6 percent of influence is through bank customers' behavior towards bank performance. The p value was 0.001. The p value was less than 1% and the

hypothesis was rejected. Hence, it can be concluded that the bank customers' behavior influences bank performance in co-operative bank.

H₀: There is no influence of bank employees' behavior on bank performance.

Influence of bank employees' behavior on bank performance calculated value of CR is 8.596. The Beta value was 0.328. The beta value indicates that 32.8 percent of influence is through bank employees' behavior towards bank performance. The p value was 0.001. The p value was less than 1% and the hypothesis was rejected. Hence, it can be concluded that the bank employees' behavior influences bank performance in co-operative bank.

H₀: There is no influence of adoption of ICT on bank performance.

Influence of adoption of ICT on bank performance calculated value of CR is 6.757. The Beta value was 0.262. The beta value indicates that 26.2 percent of influence is through adoption of ICT towards bank performance. The p value was 0.001. The p value was less than 1% and the hypothesis was rejected. Hence, it can be concluded that the adoption of ICT influences bank performance in co-operative bank.

Findings

The analysis found that there is influence of bank employees' behavior and bank customers' behavior on Adoption of ICT in co-operative banks.

- It is found that there is influence of bank employees' behavior and bank customers' behavior on bank performance in co-operative banks.
- The analysis identified that there is influence of adoption of ICT on bank performance in co-operative banks.

Conclusion

It is evident that the procession of adoption of ICT consists of several factors. Among them behavioral factors are first in list. Through this research study the researcher found that there is influence of bank employees, behavior and bank customers' behavior on bank performance. Same as adoption of ICT also influence the performance of the Bank.

Reference

1. Bradley,L. & Stewart K. (2002). A Delphi study of the drivers and inhibitors of internet banking. *International journal of Banking Marketinf*,20(6),250-260
2. Patrick ohemeng Gyaase,(2013)'The Adoption of Information and communication technology in the public sector; A study of the Financial Management in the Ghana Education Service'. *International journal of scientific & technology research*. vol 2 issue 12.
3. Adesina and ayo, (2010). 'An Empirical Investigation of the Level of User's Acceptance of Ebanking in Nigeria, *Journal of banking and Commerce*, vol 15, no 1.
4. Nyangosi, R & Dr. J.S Arora. (2009). Emergency of information technology in the Kenyan banking sector: An Empirical study In a Proceeding Conference of Global Business and Management Forum 2009 (GBMF) Jointly Organized by Department of Finance, University of Dhaka, Bangladesh and Global Business and Management Forum, USA on December 22-23.
5. Morufu, O & Taibat, A.(2012). Banker's perception of electronic banking in Nigeria: A review of post consolidation experience. *Research Journal of Finance and Accounting*, 3(2), 1-11
6. Alhaji Abubakar (2012). 'The impact of Information and communication technology on bank's performance and customer service delivery in the banking industry'. vol 2 no.01. p-85.
7. Premapriya, Velaudham and Baskar (2016) Nature of Family Influenced by Consumer Buying Behavior: Multiple Group Analysis Approach, *Asian Journal of Research in Social Sciences and Humanities*, Vol. 6, No.9, pp. 908-915.
8. Saminathan, Frank Sunil Justus and Velaudham (2019) Sanitary Employees' Welfare Measures In Cuddalore District: Path Analysis Approach, *International Journal of Research and Analytical Reviews*, Volume 6, Issue 1, 951-955.
9. Velaudham and Baskar (2015) Multiple Group Structural Equation Model relating to Age Influence over Consumer Buying Behavior Towards Air conditioner in Chennai City, *Annamalai Journal of Management*, April 2015, ISSN – 0974 – 0406.