

INFORMATION TECHNOLOGY COMPETENCY OF BANK EMPLOYEES IN INDIA

(WITH SPECIAL REFERENCE TO PUBLIC SECTOR BANKS OF UDAIPUR DISTRICT)

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ABSTRACT

The present research work aims to assay with an attentive appearance on the assorted measures initiated by the public sector commercial banks for developing and improving their employees' information technology competency levels with special reference to the selected public sector commercial banks operating in Udaipur district. The nature of the research method and practice followed for the research work is exploratory and descriptive, as it is intended to explore the level of IT competency in employees of banks and descriptive is due to factor description which lead in building the competency and followed by banks. The present research work is focused on the public sector commercial banks of Udaipur district only. Through the statistical analysis performed over the accumulated data it was observed that there is significant difference in the information technology competency level of employee's working in one public sector bank to the other public sector bank. As an author of this research work it is suggested that in today's IT enabled competitive banking infrastructure the bank cannot effect to recruit a new professional without having proper knowledge of IT tools and practices or discipline and train them frequently to adapt in the advanced IT enabled banking environment. Instead banks prefer that new worker should have IT certification, and those candidates who are specialized in information technology, networking and other IT practices are appointed on senior scale for improving IT competency and strength. It is also suggested that a yearly and timely scheduled must be developed by the banks to enhance the IT competencies of their employees' through effective training programs with incremental knowledge set structure, as information technology is continuously revolving. The author believes that to sustain effectively, banking institutions need IT professionals with the requisite skills and expertise not only at the fundamental level, but also at the technical and operational level.

Keywords: Public Sector Banks, IT Competencies, Professionals, Banking Environment

INTRODUCTION

Indian banking industry is continuously challenged by the information technology revolution in banking sector at global banking level to attain more safe and reliable banking and also to ensure the hassle free any time banking. In order to cope up with the situation banks need to hire the IT expert or professionals, which can ensure and implement all the safe banking standard in their banks very effectively and can get the competitive advantage over other banks. Apart from hiring the IT expert, it is also essential to develop the IT competence among existing banking professionals which is need to be aligned to the global changes within the bank so that operational function is optimised in the age of the smart machine. Acquiring and continuously progressive IT

competency is the most critical challenge for the banking industry, especially for Public Sector banks where all the plan and practices for organizing the employee training sessions went through complex ladder for approval.

Approximately four decade traditional practices shaped by the restraint of state ownership, and short tenures of top authorities resulted into wobbly instability especially for the public sector banks. Continuously deteriorating number of bank customer in the public sector banks has to be pulled back with urgency. This crisis has reached a tipping point, and the only solution was to gain the advantage of IT competitiveness over the other banks and to develop own information technology competitiveness in the balance with other banks of national and international standard. It is very

crucial to address own IT competency issues as without identifying own limitation with the growing IT enabled ease of banking the public sector cannot rise to the challenge of financial inclusion in any meaningful manner. The most significant competition was faced by the Indian banking sector with the entry of foreign banks into the market; it forced both public as well as private sector banks of India to compete in terms of employee competency, technology savvy working professionals, and also in terms of attaining the customer satisfaction with the advanced and conventional banking services.

With the evolving information technology practices application in the banking, both public and private sector banks may grab several opportunities to lead and on other side have to face several threats that have been possessed by the increasing insecurity issues in Information technology either inform of hacking, phishing, cyber squatting etc. Strengthening the employees' IT competency and approach to deal with complex issues is the only possible solution by which the banks can determine its future growth prospects. Because competency as a personal attribute is always helpful to attain the high level standards of performance between individuals as well as organizations.

STATEMENT OF THE PROBLEM

Information technology enabled banking services development and penetration in India is closely associated with the IT competency of the bank working professionals in the respective organizations in the form of their understanding for the benefits of IT and future banking trends. Since banks in India generally appoints well-educated employees for their banking operations but it is the need of hour to recruit the technologically educated workers for the banks. So, it is not wrong to be said that banking jobs is quite knowledge-intensive, financial and operational skills-based and relationship-rich industry and now looking for IT enabled knowledge industry. The competitiveness of banks depends critically on the intellectual asset, IT competitiveness, HR competitiveness, infrastructural and technological advancement, customer experience richness and the extent of leveraging all these by the bank managers or HRs. To establish and compete with other banks effectively, banks need working professionals with the indispensable skills and proficiency not only in the strategic and management practices and activities, but also for technical and operational backgrounds as well.

OBJECTIVES OF THE STUDY

The present research work is aims to assay and draw

contemplative view on the:

- Measures followed for enhancing bank employees' IT competency levels in the public sector banks.
- The IT competency level of the bank professionals of the selected public sector banks operating in Udaipur district.
- To assess the factors significance to facilitate the transfer of IT training in order to enhance IT competencies.

HYPOTHESIS OF THE STUDY

- Information Technology competency level of public sector bank employees' is not affected through training.
- Information Technology competency level of Bank employees' is not affected by their knowledge in the area of IT.
- Information Technology competency level of bank employees' cannot improve from the methods adopted by them to improve their IT skills.

LITERATURE REVIEW

Employee training activities and sessions on IT competency development are very helpful for the employees to develop or to strengthen their IT competencies, which directly affects their efficiency and productivity at workplace. There are many factors that populate the barriers to derive the benefits from the training and reduce the effectiveness of the training such as culture of the organization, politics etc. Some employees may have limited sets of skills, capabilities, learning by doing attitude and other competencies and just because of all these they are failed to perform over the task on a standard basis and consumes more time as well (Zohair, A., 2014).

According to (Frankin Dang Kum 2014) ineffectiveness of coaching and development of staff within the organization reduces the overall organizational productivity. He concludes that the businesses invest on human resource management consider training as possibilities for increasing their long run productivity, as training sessions ultimately affects the ability and talent of the workers of the organization. Continuous training and development activities are required to encourage the IT competency.

Bushra Muzaffar (2014) presented the research work of examining the relationship between training and performance of employee to design training method for employees in TA. Research findings presented that training is significant variables in influencing employee performance.

Ngugi Martha Nyakeo Nyokabi (2014) commented that training plays vital role within the development of competencies of latest technologies and advancements in existing staff for effective performance. The study opined that the link between training & development and worker performance is critical. Findings conjointly discovered that the training of staff is extremely vital factors of each the organization and also for the staff members as a result of it enhances work performance, motivated staff and build confidence within the staff. The staff ought to acquire data and skills which can assist them in raising their performance by applying relevant courses supported the organizational objectives. Ekta Srivastava and Nisha Agarwal (2014) recommended the need of training for the employees and organization to make self compatible with the changing environment. The findings conclude that training in private sector bank is better than public sector banks. In future training should be easy to understand so that it will beneficial for the banks as well as to the employees.

Azizullah G. and Dr. Muhammad G. F. (2015) pointed out that staffs training is very essential to compete the pressure of technological and process changes which bank industry faces on the daily basis. Their research was conducted in Tehran, Iran. And they suggested that customer centric technical or Information technology training is very beneficial to both managers as well as the employees because it affects the performance of employees and also beneficial in performing all the financial activities.

RESEARCH METHODOLOGY

The nature of the research work is exploratory and descriptive. Primarily the study is focused on assessing the IT competency of the public sector banks and the geographical scope of the study is Udaipur district of the Rajasthan. The city is well known as tourist place and also famous of world class hotels so there are good numbers of branches of banks of all types are functioning in the district. Out of all the available types of banks either private, national, international, cooperative, SME braches, the study is confined to study the IT competencies of public sector bank of Udaipur and for that purpose bank employees of 4 branches of SBI, 2 branches of Vijaya bank, 2 branches of BOB, 1 branch of Allahbad Bank, 2 branches of Canara bank and 3 branches of PNB were chosen for the study purpose. Both Primary data through questionnaire and secondary data through websites, journals, books etc were collected for the research purpose. The questionnaire was prepared and distributed to the among the bank employees of the selected public sector bank branches and for selecting the bank

employees convenience sampling method was followed. So, the relevant information about the IT competencies of the bank employees was procured through the questionnaire.

Demographic Profile of the Bank Employees

Demographic percentage analysis performed over the information accumulated from the delivered questionnaire to the sampled bank employees of Udaipur revealed that out of the 60 participants 36.67% of the sample population were female and remaining 63.33% were male.

Further, majority of the employees participated i.e. 66.67 per cent of respondents' belong to the age group 25-40 years. Further, it has been found that majority i.e. 76.67% of respondents' are having post graduation degrees and the most important fact which was and was related to the technical competency, that few number of the respondents' i.e. 19.67 per cent of respondents' were having technical degrees in the field of computer application especially, but 60.00% participants were having certification such as RS-CIT to prove their computer proficiency. Related to the experience or tenure from they are associated with the banks as an employee, it was found that majority of respondents i.e. 70.00% are having 5 years or more than 5 years of experience as a bank employee.

ASSESSMENT OF INFORMATION TECHNOLOGY COMPETENCY LEVEL OF THE BANK EMPLOYEES

Data collected through bank professionals was analysed with the help of IBM SPSS 21.0 and recorded under the unique codes of each participant. Reliability of the data was measured through the cronbach's alpha reliability test which assesses the internal correlation of the values and if the result seems biased then it is suggested that it should not be sued for further analysis and to identify the rate of internal consistency in Indian context the alpha value standard is 0.70, means data alpha value must be equal or higher to this level.

Table 1 : Case Processing Summary

Case Processing Summary			
		N	%
Cases	Valid	60	100.0
	Excluded ^a	0	.0
	Total	60	100.0
a. Listwise deletion based on all variables in the procedure.			

Source: Author's Computed

From the above table it was concluded that total 60 bank employees participated in the research work and out of the encoded data none of the dataset found incomplete so excluded cases are 0, it is due to the personal attention given to individual to better understand the need of such research work.

Table 2: Cronbach's Alpha Reliability Test

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.759	.822	.67

Source: Authors' Computed

From the above Table 2 it could interpret that Cronbach's alpha value is 0.759, and the Cronbach's Alpha Based on Standardized Items value is 0.822, which both indicates a high level of internal consistency for scale with this specific sample of 60 respondents and for 67 numbers of items. The difference between Cronbach's Alpha and Cronbach's Alpha Based on Standardized Items Based on Standardized Items it only that if some items are deleted that Cronbach's Alpha value can be improved from 0.759 to 0.822.

Banks have several kinds of training programs for their employees and the schedule and frequency of the training programme is somehow found common in all the public sector banks as it all been drafted by the national bank associations and mandatory to be followed. Training programmes are very useful for the bank employees as it helps to keep the staff updated, skilled and ready to face the challenges of banking. The empirical results of the study

revealed that majority of bank employee participants i.e., 75.00% have attended various kinds of the training programs for more than 5 times and 48.33% attended the information technology related training programmes in between 3 to 5 times in their life as bank an employee.

Further, it has also been revealed that a good number i.e. 85.00% of respondents are agreeing that training sessions helps them in improving their competencies, skills and also help them to improve their knowledge and understanding related to the particular domain. Similarly, 85.00% participants have very positive opinion for the information technology related training sessions as they go through with several practical approaches which are new to them, develops their interest and ultimately helps in their daily practices. It has been also observed from the responses of the bank employees that majority i.e., 70.00% want the training programmes in regular interval as and when the new technology, technique or practices is introduced in banking as they comment that it will be helpful for job enrichment and performance advancement.

Around 46.67% of the employee participants have positive attitude for the effect and contribution of training programmes in their overall professional and personal life and command over the subject of training. Further, around 66.67% of the respondents feel that in training programmes some innovative practices must be followed and while designing the training programme it must be under consideration that training programme should be designed according to the need of the target group of bank employees.

H₁: Information Technology competency level of public sector bank employees' is not affected through training.

Table 3: Chi-Square Test Result – IT Competency is Improved through Training or Not

Variables	Chi-square Value	Table Value	Df	Status
Frequency of IT training	42.624	5.221	3	Rejected
Type of Training method	27.189	4.362	3	Rejected
Number of Training Attended	32.562	3.897	3	Rejected
Tenure of Training Programmes	22.206	3.841	2	Rejected
Training Platform or Environment	40.788	3.841	2	Rejected
Training Need	36.523	3.628	2	Rejected

Source: Primary Data (5% Significance)

From the chi-square test performed over the data collected to assess the association in between the information technology competency of employee and the training session, it was identified that for all the listed variables the calculated chi-square values were found greater than the table values 5.221, 4.362, 3.897, 3.841, 3.841 and 3.628 with degrees of freedom three and two at 5% level of significance which confirms that null hypothesis must be rejected and alternated must be accepted. Consequently, the result concluded that the information technology competency level of public sector bank employees' is significantly affected through training programmes offered to them. Overall in composition all the variables (Frequency of IT training, Type of Training method, Number of Training Attended, Tenure of Training Programmes and Training Platform or Environment) plays significant role and affect the IT competency of employees in totality.

H₂: Information Technology competency level of Bank employees' is not affected by their knowledge in the area of IT.

Table 4 : Chi-Square Test Result – IT Competency is Affected by Knowledge in Area of IT

Variables	Chi-square Value	Table Value	Df	Status
Degree / Certification of IT	25.369	3.226	2	Rejected
IT Training	26.539	3.862	2	Rejected
Exposure to IT practices	22.232	4.516	2	Rejected
Personal Interest in IT applications	23.253	5.121	2	Rejected

Source: Primary Data (5% Significance)

ASSOCIATION BETWEEN IT COMPETENCY AND OTHER EMPLOYEE VARIABLES

Table 6 : (Summary of Multiple Regression Model – Association between IT competency and employee Demographics)

Model Summary ^b									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.774 ^a	.599	.584	.27167	.599	133.120	5	54	.000
a. Predictors: (Constant), age, gender, qualifications, experience_bank, training_attend									
b. Dependent Variable: Level of IT Competency									

From the above Table 4 of Chi-Square test Results measuring the IT competency association with knowledge of employee in area of IT, it was identified that for all the listed variables (Degree / Certification of IT, IT Training, Exposure to IT practices and Personal Interest in IT applications) calculated chi-square values were found greater than the table values 3.226, 3.862, 4.516 and 5.121 with degrees of freedom two at 5 per cent level of significance.

So it can inferred from the Chi-Square values that, the hypothesis framed “Information Technology competency level of Bank employees' is not affected by their knowledge in the area of IT” stands rejected and result derives that the IT competency level of bank employees' significantly affected by their level of knowledge related to IT tools and practices.

H₃: Information Technology competency level of bank employees' cannot improve from the methods adopted by them to improve their IT skills.

Table 5: Chi-Square Test Result – IT Competency is Associated with Methods of Improving IT Skills

Chi-square Value	Df	Table Value	Status
78.645	3	6.358	Rejected

Source: (Primary Data 5% Significance)

From the above Table 5 of Chi-Square test Results measuring that IT competency can be improved through the method adopted by them to improve their IT skills, it was identified that calculated chi-square value 78.645 was found greater than the table values 6.358 with degrees of freedom three at 5% level of significance. So, it can inferred from the Chi-Square values that, the hypothesis framed “Information Technology competency level of bank employees' cannot improve from the methods adopted by them to improve their IT skills” stands rejected and result derives that the IT competency level of bank employees' can be improved from the method adopted to improve the IT skills.

Table 6 revealed that the adjusted R² of the model of association between IT competency and bank employee demographics is 0.584 with the R² = 0.599, that confirms 59.9% of the variance in the overall data. This percent is a good linear association indicator between the demographic characteristics of bank employees and the their level of IT competency

Table 7 ANOVA of Association Between IT Competency & Employee Demographic

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	136.540	5	17.462	136.421	.000 ^b
	Residual	44.114	54	.128		
	Total	180.654	59			
a. Predictors: (Constant), age, gender, qualifications, experience_bank, training_attend						
b. Dependent Variable: Level of IT Competency						

Source: Primary Data

The F-ratio examines the good fit of regression model for the data. The Table 7 of ANOVA is measuring the significance of association between the independent variables (age, gender, qualifications, experience_bank, training_attend) and dependent variable (Level of IT Competency), and predicts that the dependent variable as F (5, 54) = 136.421, p = .000 < .0005 which represent the goodness of fit of the data. So, from the statistics it could identify that there significant relationship between the demographic characteristics of banks employees and their level of information technology competency.

Table 8: Coefficients of Association Between IT Competency & Employee Demographic

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.284	.135		1.871	.047
	Age	.299	.034	.327	8.623	.000
	Gender	.118	.050	.128	2.216	.011
	Qualifications	.100	.039	.113	2.098	.036
	Experience_bank	.126	.050	.141	2.065	.036
	Training_attend	.086	.017	.086	3.114	.001
a. Dependent Variable: Level of IT Competency						

Source: Primary Data

Table 8 of coefficients of association between IT competency & employee demographic helps to conclude that that level of IT competency of sampled bank employees of public sector banks of Udaipur district is statistically significantly (t= 1.871, sig. value = .047) different from 0.

Beta value represents the strength of relationship and association between the dependent and independent variables, higher would be the beta value higher would be the strength of association. In table 8, the beta value for Age is (.299), for Gender is (.118), for Qualifications is (.100), Experience_bank is (.126) and Training_attend is (.086). So

from all the beta values it could infer that there is quite positive relationship between the demographics of bank employees and their level of IT competency but the highest is for age.

FINDINGS AND SUGGESTIONS

The study revealed that, public sector bank employees have positive opinion for the training sessions; they confirmed that training sessions are quite helpful to improve their level of competency, knowledge and skills of the particular domain. They also commented that information technology

training sessions will be helpful for job enrichment and performance advancement if they pursue in the regular interval as and when demanded. In the today's continuously revolving banking tools and practices with the advancement of information technology, to improve the overall efficiency of the employees of core financial discipline need frequent trainings to adapt with the advanced work nature of banks. Instead, in order to cope up with such issues while recruiting the new employees banks are making the IT certification mandatory or looking for the specialized employees in IT operations. It has been found that Information Technology competency level of public sector bank employees' can be improved through trainings, Information Technology competency level of Bank employees' significantly affected by level and scope knowledge in the area of IT, and Information Technology competency level of bank employees' cans significantly improved from the methods adopted to improve their IT skills. Thus, it is suggested that to improve the overall IT efficiency of the employees and knowledge of IT domain must be nourished and promoted through the training sessions. It is also suggested that training programmes must be according to the need of the target group and should aim to provide and share a proper form of interactive mode of training with sharing of current information practice knowledge, IT openness, use of IT in collaboration and many more etc. Thus, the training sessions should ultimately aim to bring the IT competency in the employee in aggregation. This is the prime challenge for the banks and any industry continuously revolving with the changes of information technology, to develop the pertaining competencies among their employees and enhancing their skills.

CONCLUSION

Learning is the continuous process and result into development through the competencies inculcation and enhancement. Competency mapping focuses on dynamism, inner motivation and effectiveness development, in the learner in systematic and planned manner. Competencies mapping and development is all about improvements in the learners' capacities, attitudes, knowledge, and performance, zeal to work, behaviour and skills. It is well known and

proven fact that employees with effecting skills and competencies work for the organization it overall affects the organizational performance, so the same is for the banks also, if employees are effective, their contribution to the banks will be effective, and consequently they will be effective in accomplishing banking objectives.

From the regression model it was concluded that there is good and linear association in between the demographic characteristics (age, gender, qualifications, experience_bank, and training_attend) and level of competency, so competency building is an integral approach where training can play significant role but demographics of bank employees are also considerable.

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