

## **Bank Employees' Perspective on Financial Inclusion**

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### **Abstract:**

Financial inclusion is a way to include the people in formal banking sector. The current study is conducted to know about the attitude of the bank employees regarding the various conventional banking products and modern banking services. The study is conducted with 200 bank employees' data, collected from Haryana by using a structured questionnaire. The data is collected from Public sector banks, private sector banks and regional rural banks. The percentage method and t-test are used for data analysis in the study.

**Keywords:** Bank Employees, Digital banking, conventional banking, banking products, Financial Inclusion.

**JEL Classification:** G21, O17, R51

**Introduction:** Financial inclusion start with the expansion of the banking activities. The bank employees play an important role in the financial inclusion. The bank employees are the direct contact person to the people for banking services. "Financial inclusion is not only about extending financial services to excluded people, but involves providing wide range of financial services, including credit facility, insurance, and remittance products" (Bansal,2014). Financial inclusion emphasize on unbanked people to include them in formal financial sector. The banks offer various savings schemes, granting loans and digital banking services. And bank employees play an important role in the promotion of these services.

### **Review of Literature:**

Kathuria (2010) observed the bank employees' investment preference and their knowledge towards the various investment avenues available. For this study authors interviewed 150 private sector bank employees in Ludhiana city from 19 private sector banks. Findings show that 73 percent respondents were in the young age group 26—45 years and 77 percent employees were post graduates. Maximum respondents have moderate level of knowledge about the various investment avenues like, EPF, PPF, Life Insurance Policies, Stocks, Company fixed deposits, NSCs, KVPs, Mutual Funds, Bank Deposits, Gold/Silver and Government Securities. The study

also reveals that 94 percent respondents made investment without any advice of professional people. Pal(2012) expresses in his study that the loan disbursement of public sector banks increased 9 times in the period of three years from 2007-08 to 2009-10 but in case of private sector banks it is just 2.3 times in the same period. The public sector banks are lending in bulk to the micro financing Institutions, which leads that MFIs lends the money to the members easily for their higher growth. So the MFIs are getting the undue advantage of Self Help Group- Bank Linkage Programme. Jentzsch (2012) Mobile phone usage reveals much about the behavioural patterns, personal likings, and social networks of customers. The data are even richer where the customer also uses the mobile phone for financial transactions. Such data collections by the financial and the telecommunications service providers present considerable vulnerabilities and risks in terms of abuse not only by the private sector and criminals but also by authorities. Murari and Tater (2014) they have conducted this study on 180 private bank employees, out of which 129 replied the questionnaire and authors used ANOVA and frequency mean techniques for data analysis. The study revealed that IT has led to increased customer satisfaction, improved operational efficiency, reduced transaction time, and gives the bank a competitive edge in reducing the running cost by quick responses in delivery of services. Grover & Singla(2015) The lack of financial literacy and poverty are the main reasons behind the financial exclusion in India. The study shows that due to poverty and low level of financial literacy maximum no frill bank accounts become the dormant accounts. The other reasons for financial exclusion are lack of awareness, lack of trust, low level of education. The poor people have the good potential of savings, consumption and investment, just need to win their trust in banking system, spreading awareness and improving the connectivity for financial inclusion in India. Srivastav and Mittal (2016) in this study the authors have used the ANOVA and regression analysis. In this study authors have collected the data of 500 public and private sector bank customers. The study explored that the internet banking recommendation to other customers depend on the various other variables like promise and commitment , efficient design of website , login page, lower transaction fee, security features. The study also reveals that customers wanted private sector banks to improve the features like quality of services, frequency of reminder for password change and safety of ID and password. Panda and Swar (2016) the study is conducted on 500 customers regarding the service quality of banking services. The study highlights the customer view regarding the various types of banking services in India. The customers of public sector

banks are happy with the convenient location of the branches and ATMs. In case of private sector banks, customers are satisfied from mobile banking and safety and security of online transactions. And foreign banks must concentrate on customer orientation and product knowledge of their employees. Pattnaik and Panda (2019) revealed in their study that the Mobile banking transaction costs about 2 per cent of the bank branching cost, 10 per cent of ATM-based transaction and 50 per cent of the Internet Banking cost. The number of debit card customers increased from 3 percent to 4 percent from 2014 to 2017.

### **Objectives of the Study:**

The main objective of the study is to know the employees perspectives towards various financial inclusion schemes. In this study we will analysis the views of the employees regarding various banking products, digital banking services.

### **Hypothesis of the Study:**

**H<sub>0</sub>:** There is no significant difference in the employee's views for various financial inclusion schemes offered by the different public sector, private sector and regional rural banks in Haryana based on gender.

**H<sub>a</sub>:** There is significant difference in the employee's views for various financial inclusion schemes offered by the different public sector, private sector and regional rural banks in Haryana based on gender.

### **Statistical Tools used in data Analysis:**

In this study we have included the data of 200 bank employees collected with the help of a structured questionnaire. In this study frequency analysis and T-test are used to analyze the data.

### **Data Analysis and Discussion of Results:**

Table-1, express the categorization of the bank employees based on their demographic factors. The data revealed that most of the respondents (49.5 %) are from the category of Assistant manager and clerk. There are 65 percent male members and 35 percent female members included in the study. 80 percent respondents are up to 40 years age group, so study included mostly young respondents in the study. 97 percent respondents belongs to three category of education level i.e. graduate, post graduate and professional.

Table-1: Demographic Background of Respondents			
Demographic Factors	Category of Factors	No. of Respondents	Percentage of Respondents
Designation	Branch Manager	33	16.5 %
	Manager	18	9.0 %
	Deputy Manager	26	13.0 %
	Assistant Manager	56	28.0 %
	Clerk	43	21.5 %
	Other	24	12.0 %
Gender	Male	130	65.0 %
	Female	70	35.0 %
Age Group	18-30 Years	87	43.5 %
	31-40 Years	73	36.5 %
	41-50 Years	31	15.5 %
	More than 50 Years	9	4.5 %

Table-2: t- test data based on Gender of Respondents

Education Level	Up to 10+2	6	3.0 %
	Graduation	81	40.5 %
	Post Graduation	66	33.0 %
	Professional	47	23.5 %

Banking Products and Services	Test	Statistic	df	p
FD (8.01)	Student's t	-0.8572	198	0.392
RD(8.02)	Student's t	0.7887	198	0.431
PPF(8.03)	Student's t	0.5718	198	0.568
SSY(8.04)	Student's t	0.0750	198	0.940
Insurance(8.05)	Student's t	0.8014	198	0.424
APY(8.06)	Student's t	0.7883	198	0.431
ATM(8.07)	Student's t	-0.6134	198	0.540
Credit c(8.08)	Student's t	-0.6082	198	0.544
Add on Debit(8.09)	Student's t	-0.3549	198	0.723
Internet(8.10)	Student's t	-0.8360	198	0.404
Mobile(8.11)	Student's t	-0.3679	198	0.713
Cheque (8.12)	Student's t	0.0930	198	0.926
NEFT RTGS(8.13)	Student's t	1.1107	198	0.268
Loan(8.14)	Student's t	0.4031	198	0.687
DD(8.15)	Student's t	0.6566	198	0.512
Locker(8.16)	Student's t	-0.1483	198	0.882
BC&BF(8.17)	Student's t	0.9446	198	0.346
MF/SGB(8.18)	Student's t	1.5489	198	0.123
Cash Mac(8.19)	Student's t	2.5269	198	0.012
Self Pass book(8.20)	Student's t	2.2943	198	0.023

Table-2, shows the data analysis using t-test based on the gender of the respondents and results shows that there is no significance difference between the views' of the employees based on the gender of the respondents except the last two statements. So the respondents have the same mean

values in regards of the 18 statements. And male and female respondents have different views in case of Cash Machine and Self Pass Book printing machines usages.

So the p –value is more than 0.05, is case of 18 statements, so our hypothesis is accepted that there is no difference in the views of the employees.

### **Conclusion:**

The study is conducted to know the bank employees' perspective about the banking products and services. The study concludes that the mostly employees are graduated and young age group, which is a good symbol for the growth of the industry. The young age and qualified employees easily understand the new technologies adopted by the banking industry. The study also concludes that there is no difference in the views of the bank employees regarding the conventional banking products, digital services and other product and services. We have conducted the study on a small sample of the population in the Haryana state, so further the study can be conducted on large sample size, so that the result can be generalize.

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