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## E-banking – A new age Banking system.

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## Introduction

The most important and urgent task that remains to be done is that of dismantling the structural and micro regulations that have accumulated over several decades of a command economy. It is also necessary to make the financial sector more competitive to realize efficiency gains, and to ensure that the consumers receive the benefits of lower costs, better costs and greater choices. One of the distinctive elements of financial sector policy is a powerful regulatory protection extended to the banking system faced with a financially weak banking system; the policy makers have been unwilling to recapitalize the predominantly state owned banks to restore their financial health. Here the researcher has focused on the various factors with regards to E-banking system. The customer can directly interact with the bank for the purpose of opening the various types of accounts like savings, current, term deposits, etc. For this a simple procedure is to be adopted. The customer would visit on particular website of the Bank and for opening account, some process has to follow. The customers can ask the institution for the software needed for PC Banking or e-banking in place of the existing accounts

The objectives ascertained are as follows,

### Objectives of the study are:

1. To analyze the Convenience of E-banking.
2. To analyze the reliability of E-banking
3. To give suggestions for improving the quality of e-banking services in the study area.

E-banking is a web-based service that enables the bank's authorized customers to access their account information. It allows the customers to log on to the bank's website with the help of a bank-issued identification and a Personal Identification Number technologies. A security analyzer constantly monitors login attempts and recognizes failures that could indicate a possible unauthorized attempt to log into an account. When such trends are observed, steps are automatically taken to prevent that account from being used. The most significant benefit of e-banking is the ready accessibility of bank accounts at all times. The inconvenience of visiting and waiting at the banks is also eliminated. This result in enhanced customer satisfaction reduced customer attrition and increased customer base. E-banking considerably reduces transaction costs for the banks.

Many other banks are also adopting such practices, e-banking holds lots of potential with the emergence of growing Internet awareness among customers, integration of banking services with e-commerce service, the increasing reach of the Internet and the entry of global players in the banking sector

TABLE : Convenience of E-banking

Opinion	No. of Respondents	Percentage
Convenient	368	92
Not convenient	32	8
<b>Total</b>	<b>400</b>	<b>100</b>

As per the analysis of data shown (Table : 9) it is revealed that almost 92per cent of respondents do agree that the electronic services are more convenient in the present day life. On the other hand 8per cent respondent disagree with this statement and opine that traditional banking is better than this.

A system allowing individuals to perform banking activities at home, via the internet. Some online banks are traditional banks which also offer online banking, while others are online only and have no physical presence. Online banking through traditional banks enable customers to perform all routine transactions, such as account transfers, balance inquiries, bill payments, and stop-payment requests, and some even offer online loan and credit card applications. Account information can be accessed anytime, day or night, and can be done from anywhere. A few online banks update information in real-time, while others do it daily. Once information has been entered, it doesn't need to be re-entered for similar subsequent checks, and future payments can be scheduled to occur automatically. Many banks allow for file transfer between their program and popular accounting software packages, to simplify record keeping. Despite the advantages, there are a few drawbacks. It does take some time to set up and get used to an online account. Also, some banks only offer online banking in a limited area. In addition, when an account holder pays online, he/she may have to put in a check request as much as two weeks before the payment is due, but the bank may withdraw the money from the account the day that request is received, meaning the person has lost up to two weeks of interest on that payment. Online-only banks have a few additional drawbacks: an account holder has to mail in deposits (other than direct deposits), and some services that traditional banks offer are difficult or impossible for online-only banks to offer

Table No. 34 : E – BANKING IS RELIABLE

	VL	L	UD	M	VM	TOT	AVG	SD	CV
<b>BANK GROUP</b>									
PSB	16(6.8)	64(27.1)	73(30.9)	68(28.8)	15(6.4)	236(100)	47.2	29.11	61.68
PB	19(11.6)	43(26.2)	23(14.0)	64(39.0)	15(9.1)	164(100)	32.8	20.49	62.49
Total	35	107	96	132	30	400			
<b>AGE GROUP</b>									
Below 25	8(13.3)	12(20.0)	8(13.3)	22(36.7)	10(16.7)	60(100)	12	5.83	48.59
26-35	9(4.3)	39(18.8)	20(9.6)	105(50.5)	35(16.8)	208(100)	41.6	37.41	89.93
36-45	9(11.3)	12(15.0)	8(10.0)	43(53.8)	8(10.0)	80(100)	16	15.18	94.88
46-55	2(5.0)	3(7.5)	13(32.5)	10(25.0)	12(30.0)	40(100)	8	5.14	64.34
Above 56	1(8.3)	1(8.3)	2(16.7)	4(33.3)	4(33.3)	12(100)	2.4	1.51	63.19
Total	29	67	51	184	69	400			
<b>OCCUPATION</b>									
Service	5(3.2)	8(5.1)	12(7.7)	87(55.8)	44(28.2)	156(100)	31.2	34.89	111.84
Business	4(7.1)	9(16.1)	20(35.7)	9(16.1)	14(25.0)	56(100)	11.2	6.05	54.08
Professional	5(17.9)	3(10.7)	3(10.7)	10(35.7)	7(25.0)	28(100)	5.6	2.96	52.97
Industrialist	8(6.3)	7(5.5)	11(8.6)	79(61.7)	23(18.0)	128(100)	25.6	30.52	119.24
Agriculturalist	2(10.0)	3(15.0)	1(5.0)	8(40.0)	6(30.0)	20(100)	4	2.91	72.88
Others	1(8.3)	2(16.7)	1(8.3)	4(33.3)	4(33.3)	12(100)	2.4	1.51	63.19
Total	25	32	48	197	98	400			
<b>EDUCATIONAL</b>									
Matriculate	4(10.0)	9(22.5)	7(17.5)	9(22.5)	11(27.5)	40(100)	8	2.64	33.07
Graduate	8(4.3)	22(12.0)	11(6.0)	68(37.0)	75(40.8)	184(100)	36.8	32.19	87.49
Post Graduate	9(9.8)	22(23.9)	12(13.0)	29(31.5)	20(21.7)	92(100)	18.4	8.01	43.58
Professional	9(10.7)	12(14.3)	9(10.7)	34(40.5)	20(23.8)	84(100)	16.8	10.61	63.19
Total	30	65	39	140	126	400			

Source: Primary Data

**Result of Chi-Square Test:**

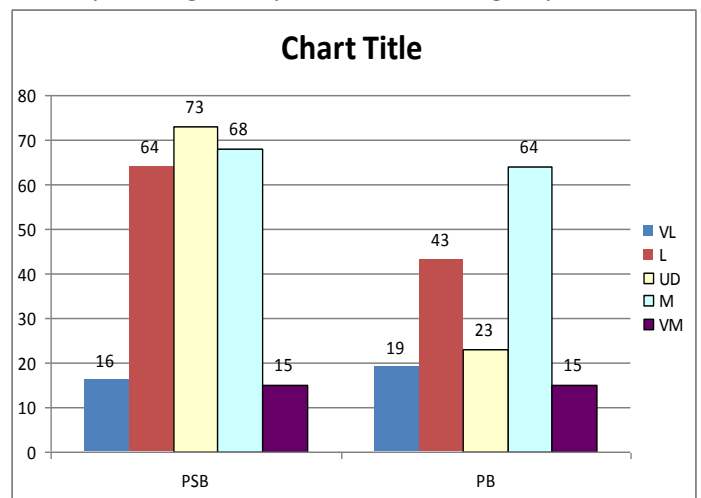
Customers Grouping	D.F	Calculated Value of Chi-Square	Critical Value of Chi-Square
Bank Based	4	18.73	9.49
Age Based	16	34.78	26.30
Occupational Based	20	47.36	31.40
Educational Based	12	33.68	21.0

**Critical Value at 5 per cent Level of Significance.**

With regard to reliability, 6.4per cent of Group 1 customers and 9.1per cent of Group 2 customers strongly agree with the view that E-banking is reliable whereas 6.8per cent of Group 1 customers and 11.6per cent of group 2 customers strongly disagree with this view. Consistency is found in the opinions given by Group 1 customers. Opinions given by both Group 1 and Group 2 customers are significantly related to each other.

33.3per cent of customers in the age group of above 55 and 30per cent of customers in the age group of 46-55 strongly agree with the above statement whereas 13.3per cent of customers below the age of above 26 and 11.53per cent of customers in the age group of 36-45 strongly disagree with the above statement. Consistency is found in the opinions given by customers in the age group of below 26. There is a significant relationship in the opinions given by all the age groups. 33.3per cent each of remnant customers and 30per cent of agriculturist customers strongly agree with the above

statement while 17.9per cent of professional customers and 10per cent of agriculturist customers strongly disagree with the above statement. Consistency is found in the opinions given by the professional customers. Significant relationship is found in the opinions given by all the occupational groups. 40.8per cent of graduates and 27.5per cent of the matriculates strongly agree with the given opinion. Whereas 10.7per cent of post-graduates and 10per cent of matriculate strongly disagree with this view. Consistency is found in the opinions given by matriculate customers. Significant relationship is found in the opinions given by all the educated groups.



**Conclusion:**

With consolidation of banks and technology upgradation of the banking platform, Internet banking is bound to grow leaps and bounds and will emerge as the most popular banking delivery channels, within the next few years. With greater emphasis been laid on e-governance, Internet banking channel will be a key facilitator As such banking in India has done a great job in extending banking services after globalization On the basis of the analysis, it can be concluded that the usage of banking services is still not wide open. In a country like India, where a majority of population is less educated or uneducated, the utility of banking services is not properly realized

So there is a need for a awareness program with regards to e-banking service in the society and also the services of E-banking must be made so easy that anyone could not face difficult for operating even all the benefits of E-banking service must be illustrated to customer so as to take full advantage of it

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