

A Critical Study of ICT Implementation in Selected Banks

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Abstract— In nations economy banking sector plays very vital role and occupied important place. In the world of globalization, foreign banks are in competition with Indian banks. Net banking plays crucial role in banking sector.

In 21st century Information Technology is a buzz word. Present research paper focuses on the importance as well as strength and weakness of net banking implementation.

Net banking is concerned with the employees and customers of private, Nationalized and co-operative banks. It deals with the fast and secure banking transactions to suit banks and customers needs. Therefore effective use of net banking affects the overall performance of banking industry.

Banking industry is playing a very significant role for the development of rural area. In India few of the banks are providing banking services and products through ATMs, net banking, tele-banking as well as provides facilities like credit card and debit cards etc. The technology can be only the solution that ensures accuracy, less time result provided proper utilization of it, hence IT awareness of customers and employees of banks is essential. Provision of foreign exchange, life insurance share market transaction must be crucial and profit making.

Keywords: IT, Globalization, Net bating. Technology, ATMs. Credit cards. Debit cards.

Introduction

The health of the economy is closely related to the soundness of its banking system. Although banks create no new wealth but their borrowing, lending and related activities facilitate the process of production, distribution, exchange business transactions and consumption of wealth. So in this sector use of computerization and its impact upon related manpower is needed to assess.

In this way they become very effective partners in the process of economic development. Today modern banks are very useful for the utilization of the resources of the country. The banks are mobilizing the savings of the people for the investment purposes. The savings are encouraged and saving rate should be increased similarly proper loan and loan recovery should be concentrated. If there would be no banks then a great portion of a capital of the country would remain idle.

Now a days in competitive world, success of any organization depends on its human resource, banks are no exception to this. A satisfied, happy and hard working employee is the biggest

asset of any organization, including banks. Workforce of any bank is responsible to a large extent for its productivity and profitability. Efficient human resource management and maintaining higher job satisfaction level in bank that determines not only the performance of the bank but also affect the growth and performance of the entire economy. So, for the success of any banks, it is very important to manage human resource effectively and to find whether their employees are satisfied or not, if employees satisfied, they will work with commitment and project a positive image of the organization

Objectives

The objectives of the research paper are as under:

- 1) To study present scenario of IT implementation in banks in rural area of western Maharashtra.
- 2) To suggest measures for improvement of IT implementation in selected banks.

Research Design

Data collected of existing IT implementation, system, technological problems, opinions of bank officers and opinions of customers (i.e./+ account holders of banks). Data collected from the selected banks from the districts of western Maharashtra and its selected Talukas for the research study. Questionnaire for bank managers were prepared for data collection.

Data analysis and Design

I. Table No.1: Present status of Computerization:

Sr. No	Type of banks	Districts	Full y computerization	Partially computerization	Manually	No. of respondents
1	Nationalize	Satara	01 (25)	02 (50)	01(25)	04

	d)		
		San gli	01 (33)	02 (67)	-	03
		Kol hap ur	01 (33)	02 (67)	-	03
		Sol apu r	01 (25)	02 (50)	01(25)	04
		Pun e	02 (50)	02 (50)	-	04
		A. Nag ar	02 (50)	01 (25)	01(25)	04
		Total (%)	08 (36)	11 (50)	03(14)	22(100)
2	Co-operat ive	Sat ara	01(20)	02 (40)	02 (40)	05
		San gli	01 (20)	02 (40)	02 (20)	05
		Kol hap ur	02 (29)	04 (57)	01 (14)	07
		Sol apu r	-	04 (80)	02(20)	06
		Pun e	01 (14)	05 (72)	01 (14)	07
		A. Nag ar	01 (20)	03 (60)	01 (20)	05
		Total (%)	06 (17)	20 (57)	09(26)	35(100)
3	Privat e	Sat ara	01 (50)	01(50)	-	02
		San gli	02 (100)		-	02
		Kol hap ur	03 (100)	-	-	03
		Sol apu r	02 (100)	-	-	02
		Pun e	02 (67)	01(33)	-	03
		A. Nag ar	02 (100)	-	-	02

		Tot al (%)	12 (86)	02 (14)	-	14(100)
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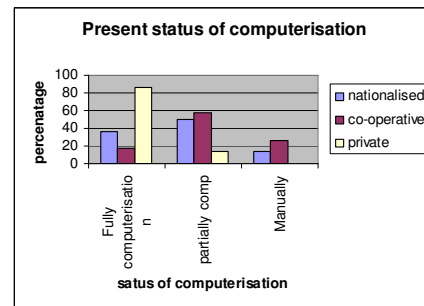


Table No. 1 and graph furnishes the information about the computerization status of the selected banks under study area. According to respondents, in nationalized banks 39% computerization is done fully, whereas 53% is done partially and 8% manually.

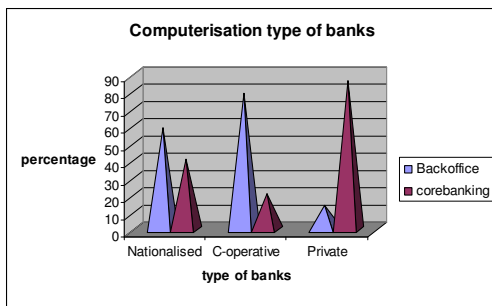
According to respondents, in co-operative banks 21% computerization is done fully, whereas 67% is done partially and 12% manually.

According to respondents, in private banks 86% computerization is done fully, whereas 14% is done partially. It is found from above table that positive responses regarding status of computerization of private banks are more than the nationalized and co-operative banks. It means that there is a better computerization in private banks than the nationalized and co-operative banks. There is a scope for IT implementation in nationalized and co-operative banks.

Table No.2: Nature of Computerization:

S r. N o	Type of bank s	Districts	Branch level computeri zation (Back office)	Core bankin g	No. of respo ndent s
1	Nati onali zed	Satara	02 (67)	01 (33)	03
		Sangli	02 (67)	01 (33)	03
		Kolhap ur	02 (67)	01 (33)	03
		Solapur	02 (67)	01 (33)	03
		Pune	02 (50)	02 (50)	04
		A. Nagar	01 (33)	02 (67)	03
		Total (%)	11 (59)	08 (41)	19 (100)
2	Co-oper ative	Satara	02 (67)	01(33)	03
		Sangli	02 (67)	01 (33)	03
		Kolhap	04 (83)	02	06

		ur	(17)	
		Solapur	04 (100)	04
		Pune	05 (83)	06
		A. Nagar	03 (75)	04
		Total (%)	20 (79)	26 (100)
3	Private	Satara	01(50)	02
		Sangli		02 (100)
		Kolhapur	-	03 (100)
		Solapur	-	02 (100)
		Pune	01(33)	02 (67)
		A. Nagar	-	02 (100)
		Total (%)	02 (14)	12 (86)



The above table and graph gives information about computerization of selected banks under study area.

In nationalized banks 59% respondents are of opinion that branch level computerization is done, whereas 41% core banking is done.

Majority of co-operative banks respondents (79%) are of opinion that branch level computerization is done, whereas 21% core banking is done.

According to respondents, in private banks 86% branch level computerization is done, whereas 14% core banking is done.

Thus it infers that the banks coming under the three different sectors have either fully implemented or partially gone for branch level computerization or core banking. It means that the private sector banks have successfully implemented core banking concept as compared with nationalized banks and co-operative banks. It also indicates that the private banks provide good quality services to customers as technology is concern. There is still scope for core banking in selected co-operative and nationalized banks in rural area.

Table No.4: Different Types of Computers Used:

Sr . No	Type of banks	Distri cts	La pt ops	Des ktops	Ser vers	No. of resp ond ents
1	National ized	Satara	-	03(100)	02 (67)	03
		Sangl i	-	03(100)	02 (67)	03
		Kolha pur	-	03(100)	03 (100)	03
		Solap ur	-	03(100)	02 (67)	03
		Pune	-	04(100)	03 (75)	04
		A. Nagar	-	03(100)	03 (100)	03
		Total (%)	-	19 (100)	15 (79)	19 (100)
2	Co-ope rative	Satara	-	03 (100)	01 (33)	03
		Sangl i	-	03 (100)	01 (33)	03
		Kolha pur	-	06 (100)	03 (50)	06
		Solap ur	-	04 (100)	02 (50)	04
		Pune	-	06 (100)	03 (50)	06
		A. Nagar	-	04 (100)	01 (33)	04
		Total (%)	-	26 (100)	11 (41)	26(100)
3	Priv ate	Satara	01 (50)	02 (100)	02(100)	02
		Sangl i	02 (100)	02 (100)	02(100)	02
		Kolha pur	02 (100)	03 (100)	02 (67)	03

		(67)			
	Solapur	01 (50)	02 (100)	02(100)	02
	Pune	02 (67)	03 (100)	03(100)	03
	A. Nagar	01 (50)	02 (100)	02(100)	02
	Total (%)	09 (64)	14 (100)	12 (95)	14(100)

The above table depicts the information about opinion related to the types of computers used in selected banks under study area.

In case of nationalized banks there is 100% use of desktop, whereas 79% use of servers and no one use of laptop machines.

In the co-operative banks all respondents (i.e. 100%) are of opinion that desktops are used and 41% replied servers are used, whereas there is no single bank which is using laptops. It is observed that in private banks all respondents (i.e. 100%) are of opinion that desktops are used, 89% servers and 64% laptops types of computers.

It is interpreted from the above table maximum number of laptops and servers and high configured machines are available in private banks as compared to nationalized and co-operative banks.

IT infrastructure is essential to provide good and fast communication also it is possible to provide the better services to the customers. There is no single bank in rural area which is using the supercomputer and workstations type of machine as there is no need to use such types of machines. Therefore there is no such supercomputer and workstations available in all the above banking sectors.

The nationalized and co-operative banks use the desktops and servers, whereas private banks are using the laptop, desktop as well as server. It means the private banks having the more advanced type of computers.

Table No.8: Types of Computer Networks used in the banks:

Sr. No	Type of banks	Distri cts	LAN Ether net	WA N	Any othe r insti (sta nd alon e)	No. of resp onde nts
1	N at ion al iz ed	Satara	02 (67)	02 (67)	01(33)	03
		Sangli	03 (100)	02 (67)	-	03
		Kolha pur	03 (100)	02 (67)		03
		Solap ur	02 (67)	1 (33)	01(33)	03
		Pune	03 (75)	2 (50)	01(25)	04
		A. Nagar	03 (100)	1 (33)	-	03
		Total (%)	19 (85)	10 (52)	03 (30)	19
2	C o- o p e r at iv e	Satara	02 (67)	-	01 (33)	03
		Sangli	03 (100)	-	-	03
		Kolha pur	-	-	-	06
		Solap ur	02 (50)	-	02 (50)	04
		Pune	04 (67)	-	02 (33)	06
		A. Nagar	03 (75)	-	01 (25)	04
		Total (%)	14 (60)	-	06 (24)	26
3	P ri v at e	Satara	02 (100)	02 (100)	-	02
		Sangli	02 (100)	02 (100)	-	02
		Kolha pur	02 (67)	02 (67)	-	03
		Solap ur	02 (100)	02 (100)	-	02
		Pune	03 (100)	03 (100)	-	03
		A. Nagar	02 (100)	02 (100)	-	02
		Total (%)	13 (95)	13 (95)	-	14

*figures in the brackets are percentages. *Source: Primary data*

Table No. 8 describes the types of computer network used in selected banks under study area.

It is found that majority of nationalized banks respondents (i.e. 85%) are of opinion that the LAN Ethernet (Local Area Network) is used for computer networking purpose, whereas 50% respondents responded WAN (Wide Area Network) is used.

In case of co-operative banks 60% respondents are of opinion that LAN is used, whereas 24% responded stand alone machines are used.

Majority of private banks (i.e. 95%) respondents responded that LAN as well as WAN is used for networking purpose, that leads to exchange the data, share the resources, quick communication among the branches located at different places. LAN with WIFI is not used because no need to use such a costly environment to exchange the data at rural branches of the bank.

It is interpreted from above table that both the LAN and WAN networking facilities have used in private banks. As compared to private banks very less facilities of such networking are used in nationalized and co-operative banks. So communication channels are strong in private banks hence transactions like fund transfer, data transfer in between inter branch wise as well as with other banks is possible very quickly. Based on percentage it seems there is very large scope in nationalized and co-operative banks to develop different types of network particularly like WAN.

The private banks are using LAN as well as WAN as a computer networks. There is also use of LAN and WAN in nationalized banks. In co-operative banks, there is very limited use of WAN and it is negligible. Co-operative sector banks use the LAN and stand alone machines.

Conclusions and Suggestions

- 1) It is concluded that there is a better computerization in private banks than the nationalized and co-operative banks. There is a scope for IT implementation in nationalized and co-operative banks.
- 2) It is suggested to nationalized and co-operative banks to improve status of computerization in their branches at rural area.
- 3) It is interpreted that the private sector banks have successfully implemented core banking concept as compared with nationalized banks and co-operative banks.
- 4) It is suggested to nationalized and co-operative banks in rural area to adopt core banking concept to provide better services to their customers.
- 5) It is concluded that the use of software development process is related with the need of the banking sector. In-

house development way is beneficial for cost control, while outsourcing is beneficial for global network.

- 6) All type of banks should adopt in-house software development as per the need and requirement so that it would be beneficial for cost control.
- 7) The nationalized and co-operative banks use the desktops and servers, whereas private banks are using the laptop, desktop as well as server. It means the private banks having the more advanced type of computers.
- 8) Nationalized and co-operative banks should use advanced machines so as to provide better services to the customers.
- 9) In co-operative banks, there is very limited use of WAN and it is negligible. Co-operative sector banks use the LAN and stand alone machines.
- 10) It is suggested to co-operative banks to use LAN and WAN for communication of banking transactions therefore communication/ transactions between banks and customers becomes faster.

Conclusion

It is concluded that to provide better services to the customers and for job satisfaction of the employees it is essential to have good ICT implementation in their banks. Similarly for better utilization these resources it is needed to give IT awareness campaign in rural area then it is possible to perform any banking related work accurately and within less time.

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