A Study of Various Technologies being used by Public and Private sector Banks

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Abstract - The study's major aim is to establish a link between bank service quality and customer satisfaction in both public and private banks. In recent years, Indian banks have seen significant transformations from conventional banking to customer-centric convenience banking. The use of Core Banking Solutions allows banks to improve consumer convenience by providing 'anywhere' and 'anytime' banking to guarantee that clients are comfortable. Indian banks have used IT-enabled and procedures to increase revenue, improve customer satisfaction, and manage corporate risks while reducing costs. Age-Specific Analysis of Responsiveness, Age-Specific Analysis of Tangible.

Keyword - E-Banking, banks, IT

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INTRODUCTION

Banking systems throughout the globe have seen substantial changes as a result of factors like as deregulation, technology advancements, and globalization. Increased competitive pressure has emerged as a consequence of these changes. As a result, banks have been developing new products, finding new sources of revenue, expanding into non-traditional operations, and reducing capital expenditures. All of these changes have presented banks with a number of regulatory and supervisory issues. Customers are becoming more knowledgeable as a result of increased competition and technological breakthroughs, and their expectations are increasing at a breakneck pace. To maintain even current clients, items must be updated on a regular basis, bearing in mind what is going on in the world. The challenge is exacerbated by globalization, which requires the organization to stay up with global trends. The twenty-first century will be remembered as the period of paying close attention to client demands and increasing profitability via increased customer retention. India's banking system is made up of scheduled commercial banks, rural regional banks, and cooperative banks. Banks belonging to the public, private, and foreign sectors make up the three categories of SCBs. The three major commercial banks are the State Bank Group, nationalized banks, and other private banks. Traditionally private sector banks and contemporary private sector banks exist. Para-banking channels, such as mutual funds, commercial banking, and home finance in India, have played a vital role in the country's economic growth and financial sector development. PSBs have long been considered as vehicles for delivering government programmes, and as a result, a significant amount of economic and social investment has been funneled into and through them. As a result, it should come as no surprise that any serious discussion of India's financial sector reform would inevitably centre on the banking sector, with a special emphasis on public sector banks. Private sector banks took advantage of the liberalized regulatory environment and technological advancements to broaden their customer base via innovative banking services and practices. A market-oriented financial services manager must complete three important responsibilities. The first is to identify the key strategic success determinants and develop a distinctive strategy based on them. Second, the capacity to create a system that can create and execute plans based on the company's strategy. Finally, the manager must be able to leverage free market forces at their departmental basis to inject and defuse them across the firm. Banks in the public sector must adapt their ways of thinking and priorities new financial innovations and client satisfaction. "If you please consumers, you will earn a lot of money," as Tom Peters puts it. "There must be a dedication to quality and a determination to put the customers first." To make their ambitions come reality, they must be customer-oriented and customer-centric. The two most strong factors impacting each sector of the economy today are the rising pace of globalization and developments in information and communication technology, as it has been properly remarked, "Customer – the Crown Prince of Today and Monarch of Tomorrow." It encourages businesses to make the most efficient use of their input resources. Information technology has had a significant influence on global civilization during the last decade, and it may be the single most important factor. It has undoubtedly given new

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meaning to the term "convenient." Information technology has altered corporate landscapes dramatically, and the term information technology (IT) has become a catchphrase for contemporary living. It is impossible to envisage a future without information technology since it has become such an integral part of one's way of life. The international economy has seen enormous technical transformation in recent years as a result of the information technology revolution. Per capita income rises as a result of technological advancements, which reduce the quantity of inputs per unit of output or deliver more products for a given amount of input.

LITERATURE REVIEW

Dr. Garima Saxena, Priyanka Sharma (2017) India's "Life Insurance Sector Penetration" According to the poll, insurance penetration in the nation is still much lower than that of its Asian rivals. There are now less than 1.5 percent of total insurance premiums in the globe and less than 2 percent of life insurance premiums in India despite being the second most populated country. As a large section of the Indian population is employed in the unorganized sector, it is imperative to ensure that their future requirements are met and that official financial security systems are in place. Even if the market is becoming more and more popular, there is still a lot of room for growth because of a lack of understanding and awareness among Indians..

Chitra K. Deshpande (2017) Study of Factors Affecting Life Insurance Investments", Respondents from a variety of socioeconomic and demographic backgrounds was recruited for the study using the purposive sampling approach. Aurangabad district residents are the focus of the research. Age, monthly income, gender, and profession all go into the analysis of the respondents' demographics.

D Sidhardha, M Sumanth (2017) "Analytical study of consumer purchasing behavior for life insurance" The insurance market has seen great growth in the number of consumers, as well as a significant number of new entrants. As of right now, the industry is home to 24 distinct companies, both domestically and abroad. As a result, insurance in India is still seen as a tax-avoidance tool rather than an investment for the future. When it comes time to buy an insurance policy, a regular consumer has a lot of options when it comes to picking an insurance provider.

Sumana B. K, Roshan K (2016) "Life Insurance Literature in India" There are several ways in which life insurance may be beneficial to individuals and the insurance industry as a whole, according to this research.

Dr. Ravneet Kaur, Dr. Rajni Arora & Dharmesh Motwani, (2011) Study of LIC and Private Insurance Companies' Customer Preferences in Health Insurance" Weighted average and ranking methods

were employed in the research to determine the number of respondents who had health insurance plans from LIC or private insurance firms. However, customers are increasingly choosing private insurance firms since they cover more ailments and the transaction process is simpler for them to manage.

Sandeep chaudhary (2016) A Factor Analytical Approach to Consumer Perception of Life Insurance Policies Consumer perceptions of life insurance policies are examined as part of this research. A systematic questionnaire was used to gather data. According to the study's findings, consumers' views on life insurance policies are influenced by six different factors: personalized and prompt service, a better corporate reputation, effective service quality, customer convenience, concrete advantages, and a good customer-client connection.

Patel H. & DesaiIndian M. (2016) In Suratcity, a bank account is a lifeline for the nation and its people. We studied the relationship between customer loyalty and client loyalty and the goal of changing banks. The purpose of this article is to examine the relationship between customer loyalty, client faithfulness, and bank maintenance level in Surat, India. Experts have also made an effort to separate the influence of statistical criteria on the selection of a bank. More than 350 people were asked to participate in the study using a non-probability method. According to the findings, there is a link between customer happiness and bank loyalty. This information was examined by the analyst using descriptive research. From both necessary and optional sources, the information needed for the investigation was acquired. A research method has been used by the analyst to obtain relevant data. The survey makes use of a Likert Scale with five options. This pilot research was conducted by a private investigator that embraced private investigation and obtained 30 tests from open segment bank customers and private segment bank clients. Because of its reliability, Cronbach Alpha coefficient tests are used by analysts.

Mohd Arif (2015) "Trends and Patterns in the Indian Life Insurance Industry" Even though insurance has only recently become popular; it has been around for a long time. As far back as the time of the Vedic sages, it has been in effect in India. At the beginning of the Indian insurance market, Anita Bhavsar founded the Oriental Life Insurance Corporation in 1818. The insurance industry is a major part of the financial sector. Life insurance sales have increased dramatically since the government reopened the Indian insurance market to private firms in 2000. In order to successfully service the underserved market, life insurers had to alter their strategy and provide tailored products. The goal of this research is to examine the patterns and trends in the Indian life insurance market.

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B. Nagaraja (2015) "A Critical Assessment of the Indian Insurance Industry's Performance" These features of the insurance business and a comparison of the private and public sectors of the life and non-life insurance industry are the primary focus of the current article. The insurance industry's success has been measured using four indicators: premium revenue, market share, new policies issued, and the claims settlement ratio. These essential indicators of performance assessment must be investigated and steps taken to improve the insurance industry's performance in the next years as noted by the World Insurance Report -2014.

P Rajavardhan Reddy, Dr. Y Jahangir (2015) Study of "Consumer Buying Behavior towards Life Insurance Products in Rural Markets 'A Case Study of Nalgonda District, Telangana State." The study's goals were to determine what influences consumers' perceptions of and attitudes about life insurance and what levels of awareness there are among various demographic categories. Using the outcomes of this research, insurers may better plan their product lineups. Furthermore, the research will aid in enhancing the market share of corporations and furthering the growth of the insurance industry. Consumers' security features, information, marketing activities, and processes should be the focus of insurance businesses.

Mrs. A. Priya, Dr. R. Srinivasan (2015) "A Study on Customer Awareness towards Health Insurance" was conducted in specifically for the city of Coimbatore. Only when one is in excellent health can one achieve their full potential. Uninsured medical expenses are avoided by having health insurance. It is still early days for the Indian health insurance sector. It is in everyone's best interest to maximize the use of health insurance products to their fullest extent. Health insurance coverage for everyone, not just the excluded, is a must.

Reenu Lulla, Dr. Renu Bhargava (2015) "Changes in Consumer Perception of Insurance Product Types" Customers' perceptions of the performance of public and private life insurance companies are examined in this paper, as well as the impact of the industry's opening up.

C Kalpana Naidu, Dr. C Paramasivan (2015) "A Comparative Study of Public & Private Life Insurance Companies in India" This research paper seeks to explore the Public & Private Life Insurance Businesses in India and compare the perspective of customers in terms of service quality and assess the performance of public and private life insurance companies in India..

Daikh J. (2015) customer loyalty and buyer resiliency were studied in this study. The purpose of this study is to examine the link between customer loyalty and shopper unwaveringness and to apply it to all market businesses, including products and services, particularly in financial institutions. This study is based on a survey. From resources and Johnson and Wales University students, everything being equal, national and worldwide undergraduates, N=80 will be collected as a starting point. H1: There is a vital positive link between client faithfulness and customer loyalty is the hypothesis under consideration. To test the hypothesis, a t-test for free instances is used. Despite the fact that the results of the study showed that there is a strong 33 positive correlation between customer reliability and customer loyalty, it is essential to fully understand how difficult it is for businesses to achieve their primary goal of customer loyalty and administration quality, which are both difficult to achieve on their own. Customers' loyalty may be influenced by a wide range of elements, including the current condition of competition and the most effective strategy of attack for mechanical advancement. Due to these factors, firms should tighten their belts since loyalty is just a matter of time; today's loyal customer may not be tomorrow's staunch customer.

RESEARCH METHODOLOGY

1. Research Design

One of the most important aspects of any research is the original study design. With the correct point of view and an understanding of the most probable strategy to data collection and analysis, as well as the study's topic, it may be a valuable tool. When doing empirical research, it defines how the data will be collected and analyzed in order to test the hypothesis or acquire insight into the issue being studied. It combines the seriousness of the issue with the effectiveness of the procedure. The design phase of study is the most critical. Any of the following methods may be used in a given design: an experiment or social survey, participant observation, or any combination of the above. Prior to commencing any research endeavour, the study plan must be drawn out. Designing a research project includes determining the scope of the study, the subject matter, a possible relationship between variables, and a set of predetermined methods to be used. Even while research design approaches are universal, the designs differ according on the study's purpose. In addition to the study design, the research approach is critical. You might think of this study as a journey, with the study plan and the research design interlaced, as well as events in between. In the end, it's the difference between an outing and an adventure. Research Design is critical to the success of any research project. In my research design, I will employ exploratory, descriptive, and applied research.

Primary data:

- **Observation method:** Primary data and information will be gathered via the use of Observation, Interview, and Scheduling, Prior to beginning the actual data collection, the observer has a clear idea of what aspects of the behavior or activities of the subjects of his study

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would be important, so he may prepare the best way to watch and record them.

- **Interview Schedule:** Primary data collection in social research may be accomplished using a plethora of methods. The two most typical methods are the interview and a well-organized timetable. The vast majority of interviews are based on pre-determined timetables, and the procedures used to fill those schedules are inextricably linked to the methods used to conduct them. Basically, "an interview is a meeting when someone answers questions about himself or herself for a newspaper storey, television programme, or study, etc.". As the interviewee's reactions or thoughts are observed by the researcher (interviewer), this approach is used.

- **Questionnaire :** Self-reporting questionnaires were used to obtain data. Before giving the questionnaire, a pilot test was undertaken to identify any issues with the questionnaire. Representatives of the medical community were asked to rank the significance of several factors on a 5-point scale. For each questionnaire, an absolute average or mean percentage score was generated. Other sub-factors were also taken into consideration while determining a ranking.

- **Secondary data:** For the collection of secondary data and information, I will use sources of secondary data like Pre-research thesis, Research Journals, Published and Unpublished Reports of Government and Non-Governmental organizations and institutions.

2. Sampling Method

The faith and Authenticity of the Research Work Depends on Ideal Sampling Method, for making our Research work useful, I use Purposive Sampling Method for Selecting the Samples in Universe (Haryana). After that I will use random Sampling Method for selecting the study unit for Research Study.

The present study has been conducted in the study comprises of 413 bank customers. While choosing a bank customer, the method of random sampling was followed. Principal demographic characteristics like age, level of education, level of income, occupation and geographic location of the bank were taken into consideration. All these characteristics have an important bearing upon bank customer, evaluation of service quality. Data for the study were collected by using three instruments; namely, Secondary data source from RBI website, Customer Survey, and SERVQUAL with a view to measure the perceptions about the quality of service they are delivering to their respective customers.

3. Tools and Techniques for data analysis

The data collected through various instruments are entered into an Excel spread sheet and then transferred to SPSS data sheet for further processing. Cross tabulations are made to understand the

underlying relationships among the variable under study keeping the broad objectives in mind.

DATA ANALYSIS

Age-Wise Analysis towards Responsiveness

Table shows the age-wise result towards responsiveness in public and private sector banks. It is clear from the table that in the public sector, there is no significant difference in the opinion of the respondents with regard to adoption of services by employees to the customer needs (p=0.059), readiness of the staff to customer's request (p=0.225), courteousness among employees (p=0.640) and willing to help customer (p=0.086). While, significant difference is found in the opinion of respondents with regard to customer informed about service performance (p=0.001), provide correct response to customer (p=0.000), employees are polite (p=0.013), employees are eager to inspire confidence (p=0.001) and bank statement gives complete information (p=0.002).

Table 1: Age-wise analysis towards responsiveness

Statements	Public Sector		Private Sector	
	F-value	Sig.	F-value	Sig.
Employees adopt service to the customer needs	2.502	0.059	8.803	0.000*
Staff readiness to customers request	1.459	0.225	4.534	0.004*
Customers informed above service performance	5.804	0.001*	5.558	0.001*
Provide correct response to customer	6.691	0.000*	9.910	0.000*
Courteous among employees	0.562	0.640	8.186	0.000*
Willing to help customer	2.216	0.086	8.258	0.000*
Employees are polite	3.635	0.013*	7.752	0.000*
Employees are eager to inspire confidence	5.564	0.001*	6.049	0.000*
Bank statement gives complete information	5.071	0.002*	10.022	0.000*
N	204		209	
df	Between Group=3		Between Group=3	
	Within Group=200		Within Group=205	
Source: Survey	* = significant at 5 percent level			

As far as results in the private sector banks is concerned, it is displays that there is significant

difference is found in various age groups of the respondents with regard to adoption of service by employees to the customer needs (p=0.000), Staff readiness to Customers request (p=0.004), customers informed about service performance (p=0.000), provide correct response to customer (p=0.000), courteousness among employees (p=0.000), willing to help customer (p=0.000), employees are polite (p=0.000), employees are eager to inspire confidence (p=.0001) and bank statement gives complete information (p=0.000).

Age-Wise Analysis towards Tangible

Table indicates the result of the respondents towards tangibility in public and private sector banks. The result express that there is no significant difference in the various age groups of the respondents with regard to up-to-date equipment (p=0.142), comfortable parking space (p=0.153), visually appealing facilities (p=0.124), convenient business hours (p=0.199) and convenient branch location (p=0.302). But there is significant difference found among the various age groups of the respondents towards attractive interior design (p=0.000) and neat and professional appearance of employees (p=0.004) in public sector banks.

Table 2: Age-wise analysis towards tangible

Source	Public Sector		Private Sector	
	F-value	Sig.	F-value	Sig.
Attractive interior design	13.619	0.000*	4.559	0.004*
Up-to-date equipment	1.826	0.142	4.644	0.004*
Comfortable parking space	1.768	0.153	2.043	0.109
Visually appealing facilities	1.936	0.124	3.750	0.012*
Convenient business hours	1.557	0.199	5.833	0.001*
Convenient branch location	1.220	0.302	1.810	0.147
Neat and professional appearance of employees	4.489	0.004*	1.201	0.310
N	204		209	
df	Between Group=3		Between Group=3	
	Within Group=200		Within Group=205	
Source: Survey	* = significant at 5 percent level			

However, there is no significant difference is found in the various age groups of the respondents towards comfortable parking space (p=0.109), convenient branch location (p=0.147) and neat and professional appearance of employees (p=0.310) in the private sector banks. further there is a significant difference in the different age groups of respondents with regard to statements of attractive interior design (p=0.004), up-to-date equipment (p=0.004), visually appealing facilities (p=0.012) and convenient business hours (p=0.001) in private sector banks.

CONCLUSION

To summaries, technology is not a cure-all, but rather a tool for improving efficiency. Its successful implementation requires thoughtful planning, strong organizational skills, sound management judgment and a spirit of initiative. Information technology's function in an organization's success remains a conundrum. Information and Communication Technology investment in the financial services industry has been massive, due to the high information content of the product as well as the high information intensity of the operations. Information technology's role in an organization's success is being questioned in today's competitive environment. According to the report, information technology has an impact on the performance of Indian banks. A number of methods have been used to investigate the relationship between technology and performance. Only HDFC Bank and Royal Bank of Scotland have a negative correlation coefficient between technology and performance. For public sector banks, the correlation coefficient is greater and statistically significant, however for certain new private and international banks, statistical significance fades. Banks owned by the government have an edge over private sector banks in terms of market share, size, and 170 years of combined expertise. The performance of public sector banks has been maintained, and information technology has definitely contributed to the increased adaptability of major banks to changes, but private banks and foreign banks remained technologically overcapitalized in comparison to performance. They've spent a lot of money on high-tech infrastructures. The findings of the study show that public sector and private sector banks in India use more debts as their source of finance than equity financing. This implies presence of negative trade-off between firm's leverage and firm's performance. Under the short-term debt-to-equity ratio, a private Indian bank's performance was positively impacted by employing client deposits and other short-term financing.

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