ABSTRACT

Today’s business environment is very dynamic and undergoes rapid changes as a result of technological innovation, increased awareness and demand from customers. Rapid strides made by the technology sector and their swift adoption by the competitors since the middle of the past decade have forced banks to get into the act by beginning to offer IT-facilitated products and services. The new private sector banks aggressively started pursuing technology-based service offering. Technology has resulted in improved quality of service, any time/any where banking, focused product delivery, cross selling opportunities, multi-channel touch points for consumption of services, etc.

The study empirically analyzes factor such as convenience, privacy, security, ease of use, real time accessibility, and accurate record of varied transaction that enable customer’s adoption of banking technology as well as factors such as slow transfer speed, technical failure, frauds and unawareness among customers that make hindrance in adoption. It also explore bank employees’ perception toward adoption of Information Technology to satisfy both sophisticated customers (who demand flexibility of interactions with no time and location constraint, security of information, privacy and convenience) as well as the organization’s own needs (including more sophisticated services with more profit, security of networks, hardware and bank application, cost containment or reduction and customer loyalty) when implementing e-banking technologies.

The study concludes that e-banking serves with better efficiency, reduced costs and have bright future with more satisfied customers and employees. Among e-channels, mobile banking and internet banking are contributing significantly to enrich the efficiency while others have mixed effect. The findings and recommendations of the study will be helpful for the banking industry, more particularly for partially IT-oriented banks to transform a number of services, delivery channels as per the customer requirements. The technology holds the key to future success of Indian banks.

Key Words: Information Technology, e-banking, employees’ perception, customer.