CHAPTER 1
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CHAPTER 1

RESEARCH METHODOLOGY

1.1 Introduction

E-banking is defined as “the deployment of banking services and products over electronic and communication networks directly to the customers” (Singh and Malhotra, 2004).[1] These electronic and communication networks include automated teller machines (ATMs), direct dial-up connections, private and public networks, internet, televisions, mobile devices and telephones. Among these technologies, the increasing penetration of personal computers, relatively easier access to the internet and particularly the wider diffusion of mobile phones have drawn the attention of the most banks to E-banking. However, the continuing convergence of information, communication and media technologies is also opening up new electronic channels of delivering banking services. Significant differences exist among banks in terms of their E-banking capabilities. These differences can take two main dimensions-

1. Use of electronic channels.
2. Sophistication of banking services delivered over an electronic channel.

Many established banks in developed countries began with ATMs and evolved through personal computer-banking, telephone, E-banking, internet-banking, TV-banking and Mobile-banking. Some of the key drivers offering E-banking services include reducing transaction costs, increasing convenience, improving accessibility for better fund administration, availability and timeliness of transactions (Brown and Molla, 2005).[2] The primary services provided by E-banks are transferring funds from one’s account, paying bills and checking the account balances. Loans, share trading, service bundling and a host of other financial services are being added to these primary services.

Earlier banks used branch-based operations but the advent of multiple technologies and applications has changed the nature of financial services delivered to the customers. The reason is the numerous key advantages that banks could gain by providing electronic banking services. In this way, they have lowered the transaction costs, helped for the 24 hours trading, more extended business territory and increased the efficiency in daily banking processes as well. Today banks are facing competitive environment. In order to succeed in such marketplace, they must offer a wide array of products with the latest
technology. At present, many banks and financial institutions are actively developing new electronic banking products for their customers, throughout the world.

Security is essential for the authentication and privacy. The security concerns for users’ authentication, data and transaction. Authorization can be done through password protection, encrypted smart cards, firewalls and secure socket layer (SSL) which ensure that only valid users and programs have access to information such as user accounts, files and databases. Data and transaction security can be protected through the secret key encryption and the public/private key encryption to ensure privacy, integrity and confidentiality of business transactions which are basis for several online transactions.

1.2 Need of the study:

Technology has always been used by traditional banks to provide the value-based services to their customers. With the emergence of internet technology, banks can further consolidate and effectively manage their diversification portfolio of service offerings on the World Wide Web (WWW). Traditional banks required to develop into the customer-centric organizations, integrate their multi-channel delivery systems and use virtual marketplace for marketing their products and services.

Electronic banking (E-banking), as an alternative delivery channel, offers many opportunities for the growth and development of the financial institutions. Financial institutions have begun to realize that though the internet is simply a delivery channel it is an extremely powerful one. Therefore, financial institutions are investing in electronic customer relationship management (eCRM) solutions that span across all the channels with the goal of strengthening the customer loyalty and increasing fee-based transactions. For achieving this, eCRM solutions track the customer interactions across the channels, analyze the aggregate data that will reveal the patterns about the customer usage of financial products. Consequently, by using this information, financial institutions can generate business rules that define which type of offers need to be made to the customers at various times of their lives. Increasingly, financial institutions make offers through all the channels, tracking the results to make business strategies even more effective. E-banking services provide numerous benefits for the both banks and customers. Better branding and better responsiveness is the first benefit for the banks, offering electronic banking services to the market. Those banks that offer such services would be perceived as leaders in the implementation of technology. Therefore, they will enjoy a better brand image. The other benefits can be measured in monetary terms. The main goal of every company is to maximize profits for its
owners and banks are not any exception. Automated electronic banking services offer a perfect opportunity for maximizing profits. It reduces transaction costs, improves the quality and timeliness of response. It enhances opportunities for advertising, branding. It also facilitates self-service and service customization.

Security is an important issue for E-banking. Now a days, a number of customers fear about their secrete financial and transactional information. However, new techniques and methods are being adopted to provide security and privacy.

1.3. **Scope of the study:**

1.3.1 **Conceptual Scope:**

Many financial institutions have adopted E-banking services for their day-to-day transactions as it meets the expectations of the internal users (employees) and the external users (the customers, suppliers, government, competitors or institutional partners). Any business can simplify or improve its human resource management by introducing various internet technologies. There are various benefits of E-banking including the improvement of hiring and learning, administrative systems, better information tracking with time and cost effectiveness. Under these conditions, the transaction of E-banking has become necessity for banks as it offers major opportunities in terms of competitive advantage. It also allows banks to improve efficiency and operational effectiveness within the bank. These things are helpful for the development of stronger and more durable business relationships with its customers.

1.3.2 **Operational Scope:**

Most innovations in financial services have been enabled by the innovative applications of Information Technology (IT). E-banking initiatives are based on the internet and required integration with existing systems. The new IT-infrastructure should ensure the interoperability and transparency in addition to covering the requirements for security. It provides better customer service, lower transaction cost and providing additional financial services to stakeholders.

According to Dixon and Lixon (2000)\(^3\), advanced technological applications aren’t new in the banking industry, which has for a long time, relied on computers to process cheques, ATM services, transfer funds, grant credit and measure risks. Thus movement towards E-banking is a natural process for credit institutions in the electronic age. It allows knowledge and information to be recorded, stored and transferred quickly. E-banking refers to using the different types of communication media, such as Computer (PC banking), Internet banking, TV banking, Online banking, Phone banking etc.
1.3.3 Geographical Scope:

The profile of the banks is measured by their mission, nationality, the number of local branches, the number of international agencies, their date of creation and their size captured by population. The respondent’s profile is indicated by job position and professional performance in society. The present study is concerned with Sangli district; as it has good financial network and banking institutions.

Sangli district has been selected for the present study from South-West Maharashtra. Near about 167 branches of the nationalized and the private sector banks are available which cover 7 cities (urban and semi-urban) and 731 villages [*]. Majority of the banks in urban and semi-urban cities use E-banking services. Hence there is a wide scope for the study and evaluation of E-banking service users in nationalized and the private sector banks. ‘Bank of India’ is the lead bank for Sangli district.


1.3.4 Significance of the study:

E-banking is one of the technologies which is getting recognition around the globe. It is the automated delivery of the new and traditional banking products and services; directly to the customers, through electronic interactive communication channels. Electronic banking includes the systems. These systems enable financial institution, the customers, business and individuals. These systems enable in accessing accounts, transacting business, obtaining information on financial products and providing services, through a public or private network via internet. The study deals with growing E-banking services in Sangli district. There are many banks which are providing these facilities to the customers.

Researcher has to identify current status of E-banking services provided by nationalized as well as private sector banks and to analyze their performance on the basis of service user’s opinions. Analysis of the service users opinion is necessary in order to prepare the strategic plan for the banks. Service users affect all areas of the current operations and future operations of the bank. That’s why; to identify them is crucial not only for the strategic plans but also for the subsidiary plans including the marketing and communication efforts. Identifying the service users is also part of management program because it is helpful for determining current and emerging issues. It can affect the viability of the banks and meeting their mission and goals. Thus there is the need for a service user’s analysis in terms of the bank’s customers, employees, public/community, media, share-holders, competitors, government, businessmen and professionals.
The basic purpose of this research is an evaluation of E-banking service users in the nationalized and the private sector banks with reference to Sangli district. Most of the clients are shifting from the traditional banking to the online banking system. The most crucial reason of this transformation lies in usefulness, security and privacy provided by E-banking.

This study will be more useful to banks in knowing the needed information regarding usage and different problems faced by service users while availing E-banking services like-operations of ATMs, NEFT, RTGS, funds transfer etc. This study will become a source of information for future researchers for studying the performance of E-banking in National, Private and Co-operative sectors at rural, semi-urban and urban areas in different districts, states for different E-banking services.

1.4 Statement of Problem:
Consumers’ behavior in banking has changed partly as a result of change in the amount of spare time available to individuals. Mobility, independence of time and place, and flexibility have become key words in consumer banking. The features of E-banking includes 24 hours and 7 days availability, immediate access, and the absence of physical borders. Indeed, the internet has been one of the key drivers in promoting E-banking in the banking sector. Thus to analyze and evaluate E-banking services by the service users’ in nationalized and private sector banks with reference to Sangli district, the topic attempted is - “An Evaluation of E-banking Service Users in Nationalized and Private Sector Banks With Reference to Sangli District”

1.5 Objectives of the study:
1. To study the conceptual framework of E-banking.
2. To study the level of satisfaction of service users regarding E-banking services.
3. To study the evaluation of banking transaction by adopting E-banking services on service users.
4. To evaluate the performance of E-banking in nationalized and private sector banks.
5. To give the suggestions for the improvement of performance of E-banking.

1.6 Statement of hypotheses:
For the research purpose, the researcher has designed following hypotheses:
1. Service users’ satisfaction dealing with E-banking in nationalized and private sector banks are independent.
2. E-banking does not lead to transparency in transactions.
3. Quality of service provided by E-banking in nationalized and private sector banks are same.

1.7 Research Methodology:

For the present study, the empirical research methodology has been adopted. Empirical research is designed to assess the effects of particular variables on a phenomenon by keeping the other variables constant. In the present study, researcher is evaluating E-banking services in nationalized and private sector banks. The nature and relationship between independent variables (E-banking services) and dependent variables (nationalized and private sector banks) are perceived and stated in the form of causal hypotheses. These hypotheses are tested on the basis of collected primary data.

The key intention of the study is to evaluate those factors that manipulate the nature of the service users towards electronic banking and their growing tendency towards the online banking. Therefore main objective of the study is evaluation of E-banking service users in nationalized and private sector banks with reference to Sangli district.

1.7.1 Research Design:

Research design is needed because it facilitates the smooth sailing of the various research operations that make research as efficient as possible yielding maximal information with minimal expenditure of efforts, time and money. The research design helps to organize ideas in an unique format by which others can comment and make critical evaluation.

In the present study, sample is divided into two subgroups based on service users opinion regarding e-banking based on the Nationalized and the Private sector banks. Service users are selected randomly from the respective banks. The stratified random sampling technique is used for selection of service users for collecting data from Sangli district for the study purpose. This method is used to make research procedure faster by obtaining a large number of accomplished questionnaires rapidly and efficiently. This helps to choose the banking sector in Sangli district and their websites. These websites help to get all essential information of the E-banking services.
The selected national and private sector banks (old and new) operating in Sangli district in Maharashtra form the universe of the study. The survey of 850 E-banking service users of the selected national and private sector bank has been done. The required data has been collected from respondents through the well structured and pre-tested questionnaire.

Number of sample units is to be selected from stratum decided by the researcher in advance. This number is known as quota which is fixed according to some specific characteristics such as usage of E-banking services via - ATM, Internet and mobile. Quota sampling technique is used for selecting E-banking service users for the research purpose. From study area, 50 service users per bank have been selected. The researchers applied their judgments in the choice of the sample and get the required information quickly. [4]

a) Selection of Banks:

For research purpose, sample size of 10% among the total population has been selected. Therefore 17 banks out of which 11 banks from Nationalized and 6 banks from Private Sector in Sangli district have been selected for the study.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Bank Name</th>
<th>Sangli Population</th>
<th>Sample (10%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Nationalized Banks</td>
<td>111</td>
<td>11</td>
</tr>
<tr>
<td>2</td>
<td>Private Sector Banks</td>
<td>56</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>167</td>
<td>17</td>
</tr>
</tbody>
</table>

Source: Bank of India, Lead Bank Scheme, Annual credit Plan Report Sangli District, 2008-09

For evaluating E-banking services in national and private sector banks, 10% banks have been selected among the total bank branches of nationalized and private sector banks (i.e. 167). For the selection of banks, primary survey has been conducted for studying distribution of bank branches and E-banking services provided by each bank. It is seen that, Bank of India, State Bank of India, Bank of Maharashtra are leading nationalized banks, whereas ICICI, Axis, HDFC, Karnataka Ltd are some of the leading private sector banks. Majority of the banks are providing almost of E-banking services i.e. debit card, credit card, electronic fund transfer, mobile banking, internet banking to their service users. Bank branches have been selected for the study purpose on the basis of, ranks based on E-banking services which is provided by respective banks. (Ref. ANNEXURE – II)
b) Selection of the service users:

The selection of the service users is an important part of the research work. Non-probability sampling i.e. quota sampling method is used for selecting samples. We have selected 50 service users per bank (among selected banks) for obtaining required primary data. Therefore, 850 (17 banks X 50 service users) service users are predictive samples for in-depth qualitative investigation. Approximate total service users per branch are mentioned because exact numbers are not given by the banks due to legal restriction and business secrets. Therefore, convenient sampling methods have been followed to identify the service users who are recently using E-banking services via-ATM, Internet and Mobile.

Service users have been selected by using proportional random sampling[^5]. The formula is –

\[
C \text{ (units)} = \frac{n}{N}
\]

Where, 

- \( n = \text{sample size (50)} \)
- \( N = \text{Stratum (No. of taluka where banks available)} \)


Table 1.2:

Sample distribution

<table>
<thead>
<tr>
<th>S.N.</th>
<th>Banks</th>
<th>Walwa</th>
<th>Shirala</th>
<th>Palus</th>
<th>Tasegaon</th>
<th>Mirij</th>
<th>Kadelgaon</th>
<th>Apali</th>
<th>Khanapur</th>
<th>K Mahankal</th>
<th>Jal</th>
<th>Total</th>
<th>Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bank of India</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>50</td>
<td>16000</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Bank of Maharashtra</td>
<td>7</td>
<td>6</td>
<td>6</td>
<td>7</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>5</td>
<td>50</td>
<td>15000</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Union Bank of India</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Central Bank of India</td>
<td>16</td>
<td>17</td>
<td>17</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>UCO Bank</td>
<td>16</td>
<td>17</td>
<td>17</td>
<td>17</td>
<td>50</td>
<td>8500</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>6</td>
<td>Bank of Baroda</td>
<td>17</td>
<td>17</td>
<td>16</td>
<td>50</td>
<td></td>
<td>7800</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Canara Bank</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4700</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>8</td>
<td>Syndicate Bank</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3800</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Corporation Bank</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>50</td>
<td>4500</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>State Bank of India</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>7</td>
<td>7</td>
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<td>14500</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>11</td>
<td>IDBI Bank</td>
<td>12</td>
<td>12</td>
<td>13</td>
<td>13</td>
<td>50</td>
<td>11000</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
## AN EVALUATION OF E-BANKING SERVICE USERS IN NATIONALIZED AND PRIVATE SECTOR BANKS WITH REFERENCE TO SANGLI DISTRICT

### Private Sector Banks

<table>
<thead>
<tr>
<th>Banks</th>
<th>Walwa</th>
<th>Shirala</th>
<th>Palus</th>
<th>Taragaon</th>
<th>Miraj</th>
<th>Kadegaon</th>
<th>Atpadi</th>
<th>Khanapur</th>
<th>K.Mahankal</th>
<th>Jal</th>
<th>Total</th>
<th>Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 ICICI Bank</td>
<td>5</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>50</td>
<td>15000</td>
<td></td>
</tr>
<tr>
<td>2 Axis Bank</td>
<td>12</td>
<td>12</td>
<td>13</td>
<td>13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>50</td>
<td>8500</td>
<td></td>
</tr>
<tr>
<td>3 HDFC</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td>50</td>
<td>5500</td>
<td></td>
</tr>
<tr>
<td>4 Federal Bank</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>50</td>
<td></td>
<td></td>
<td></td>
<td>4600</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Karnataka Bank</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>4200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 The Ratnakar Bank</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3700</td>
<td></td>
<td></td>
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<tr>
<td>Total (300)</td>
<td>52</td>
<td>12</td>
<td>41</td>
<td>29</td>
<td>129</td>
<td>6</td>
<td>6</td>
<td>15</td>
<td>5</td>
<td>5</td>
<td>300</td>
<td>39000</td>
</tr>
<tr>
<td>Total (850)</td>
<td>109</td>
<td>55</td>
<td>58</td>
<td>102</td>
<td>370</td>
<td>11</td>
<td>17</td>
<td>88</td>
<td>17</td>
<td>23</td>
<td>850</td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary data

**Graph 1.1**

Selected Nationalized banks in study area
The researcher has selected number of E-banking service users using quota sampling technique. From different bank branches and from different talukas, 50 service users have been selected. Total 850 E-banking service users are available for the study. Proportional random sampling technique has been used for selecting sample units. (Shown in Table 1.2)

c) Pilot study

Pilot study provides guidelines for the scientific research work in any social or management research. It helps to improve quality of research. The data to be collected
should be as per object with minimum impediments and maximum convenience, for making the data qualitative. The pilot study has been conducted by selecting 51 service users (i.e. 17 banks X 3 service users = 51 service users) from different taluka’s. This pilot study helps to update some questions and eliminate errors in questionnaire. Finally questionnaire redesigned by removing errors through discussions with experts in research and bank areas. The list of final questionnaire has been printed in specific format. (Appendix – Questionnaire)

d) Analysis of data

For analysis of data, following statistical methods have been applied-

- Tabulation and classification.
- Percentile.
- Chi-square statistics to test the hypotheses.

1.8 Collection of data

1.8.1 Primary data:

Primary data is collected through survey. The structured questionnaire has been prepared for collecting opinion from E-banking service users. The first pilot study conducted reveals the weaknesses of the questionnaire. Then the final questionnaire has been prepared, in the view of objectives and hypotheses. Questionnaire has been distributed among the service users and then collected filled-questionnaire from them, for study purpose.

a) Questionnaire

By using five point Likert–scale, opinions of service users have been collected and then analyzed. Five point Likert-scale, consists of a number of statements which express either a favorable or unfavorable attitude towards the given object ; to which the respondent is asked to react. The respondent indicates his agreement or disagreement with each statement in the instrument. Each response is given a numerical score, indicating its favorableness or unfavorableness and these score are gathered to measure the respondent’s attitude. In Five point Likert scale, the respondent is asked to respond to each of the statements in items of 5 degrees. These are : i) Excellent ii) Good iii) Average iv) Poor v) Very Poor. These five points constitute the scale.

In the present study, sample is divided into two sub-groups based on, service users opinion regarding E-banking based on Nationalized and private sector banks. Service users
have been selected randomly from respective banks. Thus stratified random sampling technique has been used for collecting data from Sangli district, for the study purpose.

Scales and measurement used: Five point likert scale (1 to 5)

1. Excellent       2. Good       3. Average
4. Poor           5. Very Poor

Primary data has been collected through survey. The SERVQUAL and e-SQ models have been used to measure quality of E-banking services. Empirical studies evaluating validity, reliability and methodological soundness of service quality scales clearly point out the superiority and psychometric soundness of the SERVPERF scale. To identify the service users’ perception regarding E-banking; questionnaire has been designed and divided into 8 groups from Group A to Group H. This questionnaire helps to identify the quality, satisfaction and transparency in E-banking. The final questionnaire has been prepared in the view of objectives and hypotheses. Questionnaire has been distributed among the service users and then collected filled -questionnaire from them, for the study purpose.

Time of data collection: November 2011 to March 2012

b) Questionnaire Nature

Questionnaire has been divided into 8 groups form Group A to Group H, as follow:

**Group A: Demographic Information**

It contains personal information of E-banking service users like- Name, Mobile number, E-mail ID, Area, Gender, Education and Occupation.

**Group B: General Information**

This group collects general information of service users in the form of – Income, Account in bank, Different types of E-banking services.

**Group C: Service Quality**

One of the objective of research is to study the service quality of E-banking services. Thus to evaluate service quality in national and private sector banks this group is designed with various quality parameters like- Reliability,
Responsiveness, Assurance, Empathy, Regarding E-banking services and Security in E-banking.

**Group D: E-banking service usage**

This group helps to identify usage of E-banking service in day-to-day transactions like bill payments, transfer of funds, purchase products, tax payment and premium pay.

**Group E: Level of satisfaction regarding transactions of E-banking services**

E-banking provides various types of services. Present group helps to know the usage and awareness of users regarding services like EFT/NEFT, Mobile banking, ATM, Debit-Credit cards, Internet Banking and RTGS.

**Group F: Transparency in E-banking**

This group helps to identify transparency in E-banking transactions.

**Group G: Pensioner Information**

This group helps to collect information regarding usage and awareness of E-banking among the pensioners.

**Group H: General Opinion**

This group helps to collect opinion about E-banking services for improving quality, transparent E-banking services, feedback and suggestions. Researcher found problems and suggested appropriate solutions for that, on the basis of field experience problems which were faced by service users and their opinions. This group also collected their suggestions for future improvement in E-banking services.

**1.8.2 Secondary data:**

Secondary data has been collected from annual reports of banks and Reserve Bank of India, internet, books, published articles, E-banking business journals. Also data has been collected from various reputed libraries from SIBER, Kolhapur, V.P. Institute of Management Studies & Research, Sangli, Shivaji University, Kolhapur, National Institute of Bank Management (NIBM), Pune.

**1.9 Service users**

For determining the sample design, service users with different professions from banks in Sangli district have been selected. The service users may be anyone, who is using E-banking services. For the sake of study, following professions are considered -

1) Government Employees  6) Engineers  11) Bank Employees
2) Semi-Govt. Employees  7) Consultants  12) Students
3) Private Employees  8) Lawyers  13) Farmers
4) Businessman  9) Share Brokers  14) Pensioners
5) Doctors  10) Charted Accountants (C.A.)

1.10 Decomposition of Study:

The decomposition principle is probably known as the divide and conquer principle. The decomposition principle advocates decomposing the problem into many small independent parts. The small parts are then taken one by one and solved separately. Due to this, each small part would be easy to grasp and understand and can be easily solved. The full problem is solved, when all the parts are solved. [4] The present study evaluates E-banking services among the nationalized and private sector banks in Sangli district. Thus, the decomposition has been done as follows:

Fig.1.1 Decomposition of Banks in Sangli district

Taluka (10) Sangli District

Nationalized Banks (11) Private Sector Banks (6)

Fig.1.2 Decomposition of E-banking services

E-banking service

ATM  Internet  Mobile

Fig.1.3 Decomposition of E-banking service users

Governments Employees Semi-Govt. Employees Private Employees
Businessman Doctors Engineers Consultants
Lawyers Share Brokers C.A. Bank Employees
Students Farmers Pensioners
Fig 1.4 Decomposition of E-banking service quality

Service Quality

- Reliability
- Responsiveness
- Assurance
- Empathy

Regarding E-banking

Security

Fig.1.5 Decomposition of level of satisfaction for E-banking services

Level of satisfaction for E-banking services

- ATM
- Debit/Credit cards
- Internet banking
- EFT/NEFT/ RTGS

Helpline

Fig 1.6 Decomposition of transparency in E-banking service

Transparency in E-banking

- Accuracy
- Interest calculation
- Service charges

- Availability of information
- Support for multiple transactions
- Helpdesk

Fig.1.7 Future opinion for E-banking services

Opinions for future E-banking developments:

- Cash deposit system in ATM.
- Security for swapping card transaction.
- Biometric security for E-banking.
- Alerts for services.
- Suggestions.
1.11 Limitations of the study:

Researcher found some of the following limitations:

1) The present study is concerned only with Sangli district, Maharashtra.

2) The universe of the study covers only, 10% of nationalized and private sector banks. It is due to shortage of the time and funds.

1.12 ORGANISATION OF THESIS:

I - RESEARCH DESIGN

This chapter consists of the introductory information of research design and statement of the study. It also covers the objectives of the study with scope, significance and limitations.

II – E-BANKING: A CONCEPTUAL FRAMEWORK

This chapter includes review of literature, history of E-banking with its components and security.

III - PROFILE OF BANKING ORGANISATIONS

This chapter consists of the history and the growth of Sangli district, banking information and detailed information of the selected banks for the research purpose in Sangli district.

IV - DATA ANALYSIS AND INTERPRETATION

This chapter includes data analysis, presentation through graphical methods, testing hypotheses, interpretation and conclusions.

V – OBSERVATION, CONCLUSIONS AND SUGGESTIONS

This chapter includes observations, conclusions and suggestions.

1.13 Conclusion:

Technology based services have started getting wider acceptance among the clients. In the competitive environment and IT era, with little or no distinction in the product offerings, it is the speed of rendering service that sets apart one bank from another. Those banks which are logging in implementation of Core Banking Solutions (CBS) have to speed up to retain their existing client base. Customers prefer e-channels because of time and cost utility and it is an efficient service to customers. Future outlook of e-delivery channels in Indian banks is bright, the need is only to change the mind-set of vision. The present study focuses on E-banking service via ATM, Internet and Mobile provided by Nationalized and private sector banks in Sangli District.
References-


Netography-