Impact of Digitalisation on Satisfaction of Employees in Private Sector Banks in Haryana

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ABSTRACT
The study’s main purpose is to measure the impact of digitalisation on employee job satisfaction in select private-sector banks in Haryana. For the present study, data have been acquired both from primary and secondary sources. The regression analysis technique is used to obtain the objectives of the study. The study's key findings exhibited that all factors of digitalisation covered in this study are positively and significantly associated with employee job satisfaction. The study and survey are confined to two private banks out of twenty-one private banks in Haryana (India).

Keywords: Digitalisation, job satisfaction of employees, and banks.

1. INTRODUCTION
Digitalization of services has affected the lives of poor class and rich class of people alike changing the way we bank, shop, learn, travel, etc. The introduction of ICT in the banking industry has changed the way banks operate and function globally. It has presented new opportunities for the banking industry and threatened the traditional way of banking. Banks in India too are shifting towards electronic modes of banking to maintain their current customers and enhance their market share. This rapid pace of digitisation in the Indian banking industry stems from two factors. Firstly, Indian banks can take advantage of mature and advanced technologies and markets, and resulting in price reductions. Secondly, they can now walk the path their global competitors have followed, learning from their best practices. The increased penetration of the Internet service has permitted the banking sector to reap the basic benefits of digitalisation. These basic benefits are not confined to banking and economic aspects only but it also brings under the umbrella of customer satisfaction and employee satisfaction, both of which are at the very central point of every business organisation.
2. REVIEW OF LITERATURE

Azmi et. al. (2020) examined the impact of digitalisation on Bank Performance in respect of Indian banking. In order to examine bank performance three variables are studied namely cost of operations, employee efficiency and profitability. Digitalisation was found to be positively connected with all three variables under the study. It has enhanced bank performance and authorised it to expand from core banking services to complete financial solutions.

Azzahra et. al. (2022) studied how digitalisation affects employees' well-being during covid-19 outbreak. The study's key findings identify adverse psychosocial effects on the well-being of employees affected by digitalization during the COVID-19 outbreak, including burnout, technostress, fatigue, work stress, workload, anxiety, and isolation.

Cizmic et. al. (2023) studied the impact of the main workplace components on employee satisfaction and performance in respect of digitalization. The study's key findings exhibited that the task and knowledge characteristics of artificial intelligence-enabled jobs are extremely important for inducing innovative work behaviour among employees.

Erro and Aramendia (2023) studied how the role of human resource management practices (HRMP) on the results of digitalisation. The study's key findings indicate that HRMP is relevant to explain firms' profits. Therefore, HRMP and technology are complementary resources to reach higher results. A positive and statistically significant relationship between profits and the use of data analytics to monitor employee performance was found.

3. NEED OF THE STUDY

The digital transformations in various sectors have mainly been driven by the development of AI. The banking sector is constantly forced to digitally transform its functioning in order to stay relevant in a complex and competitive sector. In a highly competitive world, digital transformations about transformational policies (TP), digital optimism (DO), agility and innovation (AI), training and development (TD), employee engagement (EE), business assurance (BA) and functionality (FC) in the banking sector have been adopted which affect the work culture of human resources (employees) in the banking sector. Hence there is a need to study on impact of digitalisation on employees in the banking sector.
4. OBJECTIVES OF THE STUDY
The main objectives of the study are as follows:

1) To study the relationship between factors of digitalisation and employee job satisfaction in select private sector banks in Haryana.
2) To measure the impact of digitalisation on employee job satisfaction in select private sector banks in Haryana.

5. HYPOTHESIS OF THE STUDY
1) H01: There is no significant relationship between factors of digitalisation and employee job satisfaction in select private sector banks in Haryana.
2) H02: There is no significant impact of digitalisation on employee job satisfaction in selected private bank employees in Haryana.

RESEARCH VARIABLES
The Job satisfaction of banking staff has been taken as the dependent variable (DV), whereas for transformational policies (TP), digital optimism (DO), agility and innovation (AI), training and development (TD), employee engagement (EE), business assurance (BA) and functionality (FC) the study have been taken as independent variables (IV).

DATA COLLECTION
For the present study, data have been acquired from primary and secondary sources.

SELECTION OF BANKS FOR THE STUDY
There are 21 private-sector banks with 1503 branches in Haryana as per the RBI report as on 31st March 2022. The particular study is limited to two leading private banks in respect of branches namely HDFC Bank Ltd. and AXIS Bank Limited. The following table depicts the details of selected banks in the survey.

Table: 1
Two leading private banks in respect of branches

<table>
<thead>
<tr>
<th>S.N.</th>
<th>Private Sector Banks</th>
<th>Branches in Haryana</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>HDFC Bank Ltd.</td>
<td>366</td>
<td>655</td>
</tr>
<tr>
<td>2</td>
<td>AXIS Bank Limited</td>
<td>289</td>
<td></td>
</tr>
</tbody>
</table>

Source: Reports of RBI

DATA ANALYSIS AND FINDINGS
H01: There is no significant relationship between factors of digitalisation and
employee job satisfaction in selected private sector banks.

Table: 2
Correlation between factors of digitalisation and employee job satisfaction

<table>
<thead>
<tr>
<th>S.N.</th>
<th>Factors of Digitalisation</th>
<th>Pearson Correlation</th>
<th>Sig. (2 tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Transformational Policies (TP)</td>
<td>0.830</td>
<td>.00</td>
</tr>
<tr>
<td>2</td>
<td>Digital Optimism (DO)</td>
<td>0.722</td>
<td>.00</td>
</tr>
<tr>
<td>3</td>
<td>Agility and Innovation (AI)</td>
<td>0.910</td>
<td>.00</td>
</tr>
<tr>
<td>4</td>
<td>Employee Engagement (EE)</td>
<td>0.868</td>
<td>.00</td>
</tr>
<tr>
<td>5</td>
<td>Training and Development (TD)</td>
<td>0.825</td>
<td>.00</td>
</tr>
<tr>
<td>6</td>
<td>Business Assurance (BA)</td>
<td>0.899</td>
<td>.000</td>
</tr>
<tr>
<td>7</td>
<td>Functionality (FC)</td>
<td>0.705</td>
<td>.00</td>
</tr>
</tbody>
</table>

Source: Primary data

As shown in Table all the factors of digitalisation are positively correlated with job satisfaction of employees in selected private banks (HDFC bank and AXIS bank) at 1% levels which denotes highly significant. Hence, the hypothesis (H₀₁) of the present study has been rejected. There is a high degree of positive correlation between agility and innovation (AI) and employee job satisfaction (r=0.910), and the least positive correlation is observed between functionality (FC) and employee satisfaction (JS) (r=0.705).

H₀₂: There is no significant impact of digitalisation on employee job satisfaction in selected private sector banks.

Table: 3
Modal Summary

<table>
<thead>
<tr>
<th>Modal</th>
<th>R</th>
<th>R-Square</th>
<th>Adjusted R Square</th>
<th>Std Error of Estimation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact of digitalisation on employee job satisfaction</td>
<td>0.716</td>
<td>0.508</td>
<td>0.512</td>
<td>0.025</td>
</tr>
</tbody>
</table>

Predictors: TP, DO, AI, EE, TD, BA and FC

Source: Primary data

Table: 3 shows the result of the model summary that the R-square value is 50.8%, which means that independent variables cause a 50.8% change in the dependent variable.
Table 4: ANOVA Table

<table>
<thead>
<tr>
<th>Modal</th>
<th>Label</th>
<th>Sum of Squares</th>
<th>D.o.F.</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact of digitalisation on employee job satisfaction</td>
<td>Regression</td>
<td>981.31</td>
<td>6</td>
<td>164.48</td>
<td>45.46</td>
<td>0.01</td>
</tr>
<tr>
<td>Impact of digitalisation on employee job satisfaction</td>
<td>Residual</td>
<td>961.92</td>
<td>272</td>
<td>3.584</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1945.23</td>
<td>278</td>
<td></td>
<td>45.46</td>
<td>0.01</td>
</tr>
</tbody>
</table>

**Source:** Primary data

The above table 4 shows the outcomes of ANOVA measure that the p-value is less than 0.05, thus there is a significant relationship between variables.

Table 5: Regression Coefficients

**Dependent variable:** Job satisfaction of employees

**Source:** Primary data

The above table 5 shows the regression coefficients to measure the impact of factors affecting digitalization in selected private banks (HDFC bank and AXIS bank) on employee job satisfaction. The standardized beta coefficients show that functionality (FC) has the highest impact on employee job satisfaction (Beta=0.69), whereas digital optimism (DO) has the lowest impact on employee job satisfaction (Beta=0.59). Hence, the hypothesis (H₀₂) of the present study has been rejected. These results are significant at 5% level of significance.

6. CONCLUSION AND RECOMMENDATION

On the basis of findings from correlation and regression analysis regarding the relationship (association) and impact of factors of digitalisation on job satisfaction of selected private banks’ employees of Haryana, it has been found that all factors of digitalisation covered in this study are positively and significantly associated with employee job satisfaction and also predict 50.8% about the level of job satisfaction. Thus we can recommend that to ensure the job satisfaction of employees and thereby to boost their commitment and performance
banks should emphasize more on these factors of digitalisation.

7. REFERENCES


Web Sites:
www.rbi.org.in (Reserve Bank of India)  
www.hdfcbank.com (HDFC bank)  
www.axisbank.com (AXIS bank)