

Original Article

# A Study of Perception of Self-Employed Professions Towards Green Banking Initiatives on Major Public Sector Banks at Belthangady Dakshina Kannada

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**Abstract:** Core banking has replaced traditional banking as the preferred method of operation, and services are now fully customizable. The largest issue facing bankers is that they must act decisively while taking into account the rapidly changing physical environment, the depletion of natural resources, and meeting client expectations. Climate change, an increase in paper consumption, and carbon footprint emissions are all current phenomena. The moment has come for bankers to inform and motivate their clients to use technologically based solutions and go paperless. This will make transactions more convenient, save a lot of time, and lower operating expenses. Also, it will contribute to the preservation of the world for future generations. The goal of this study is to comprehend how self-employed professionals perceive themselves in Belthangady, Dakshina Kannada District. The collected data is tabulated & analyzed using Non parametric test. The study's findings indicated a lack of a relationship between respondents' satisfaction levels and their use of green banking services.

**Keywords:** Exempted, Transform, Requirements, Esteemed, Customized & Professionals.

## I. INTRODUCTION

Presently sudden changes taking place in physical climatic conditions is not a good sign for the country as well as her people. This will increase heat in the atmosphere, spread epidemic diseases & will continuously have a negative impact on human health. A study conducted by a leading research firm in the world have clearly reported that the rapid cause for this abrupt climatic change is due to the destruction in our natural resources, tampering our natural ecosystems, increasing fast urbanization by cutting & clearing more than required trees(reducing greenery & increasing pollution), using more air coolers (AC) etc. The impact of this will be directly witnessed on human beings& this will lead to reduced life span of human lives, becoming victims to strong deadly epidemic diseases& also the threat to our younger generations too. Government of India on the other side has directed the firms to take up corporate social responsibility. Coming to the part of the banks, they have a better role to play here. On one side their staffs must motivate their customers to take up paperless banking (Mobile, Internet & POS swiping). The transactions undertaken through paperless banking has the following advantages to the customers & these are as follows:

- This will completely reduce transaction time & the costs associated with the same.
- Reduce consumption of paper resource (Paperless) & saves our trees.
- Reduce standing in a queue in a banks waiting for your turn to get the service.
- Anytime, anywhere banking.
- Better technological education (Use of Apps).
- Increased efficiency of transactions.

Here we find that this will also help in reducing customer travel time & also consumption of additional fuel. Customers can have easy access to their transactions on time freely without hassles of paperwork. Today banks are forced to carry out research from time to time to improve their products & services, also to bring all their products in their sites. Green banking products & services are very recent in the industry but have made vast remarkable strides in the recent years. Customers find more easy & convenient to carry out their transactions by sitting in a particular place itself. Younger generations who are very much tech savvy have a taste for green banking products of the bank. Presently the following products & services are available in the banks for the convenience of their customers & these are as follows:

1. Green savings & current accounts.
2. Green Mortgages.
3. Green Loans.
4. Green credit cards.
5. Green Insurance
6. Green NRI accounts & deposits.
7. Green Demat accounts & other subsidiary products.

**A) Green banking services presently offered by the banks to its customers are as follows:**

1. E –Statements
2. E- cheque books
3. Mobile banking
4. Phone banking.
5. Miss call facility
6. Dedicated Relationship Managers.
7. Call centers for enquiry
8. Toll free numbers.
9. Bill payment services.
10. Mobile & DTH ( Cable) recharges
11. Fund transfers
12. RTGS (Real time gross settlements)

The above services are directly offered by the banks to their customers. Presently a study conducted has witnessed that the users of these services are found more in urban areas & in the rural areas most of the customers are not even aware of these services. The common reasons for this is that

1. Customer's freedom of privacy in carrying out their financial transactions may be lost as they have to depend on some one.
2. Fear of technical problems & transactional failures.
3. Theft & loss of funds.
4. Lack of technological awareness.
5. Resistance to change as they are comfortable with old age banking.

Self-employed professionals are busy in their regular business schedules on normal working days carrying out their normal business & business transactions. Once they are completely tied up at their place of operations, they have very less time to keep moving to the banks, carry out their normal transactions, and honor their financial commitments. When banks have taken paperless transaction initiatives it has been widely appreciated by the self-employed professionals. Most of them have even encouraged their fellow mates as well as their customers to use the same. In other words this has also led to the advent of cashless transactions which will set them free from holding & carrying physical cash & giving room for unexpected risks. Banks can also reduce their printing costs. Most of the self-employed professionals at the study area (Belthangady) have installed POS (Point of Sale) machines & also downloaded mobile banking apps of their respective banks. This will benefit their business too by encouraging customers to go for additional purchases.

**B) Literature Review:**

S.NO	Authors	Context (Title)	Outcome/Recommendations
1.	Herath et al., (2022)	Impact of Green Banking Initiatives on Customer Satisfaction	The study is conducted to examine the impact of customer satisfaction with various features of green banking initiatives. The data were collected through primary source of information. The study employed Multiple regression analysis and descriptive statistics as data analysis techniques. The result found that green banking features are less satisfied the elder customers who are having less computer literacy.
2.	Madhumathi & Nagadeepa (2020)	E-Banking Acceptance: A Study on Demographic differences among rural customers with respect to Tumkur Taluk	The study conducted to examine the demographic differences among the customers towards e-banking services. The source of information was collected through primary data. The study found that there is notable difference among customers based on their demographic profile.

3.	Deka(2012)	Customers adoption and usage of green banking practices: An empirical study of SBI operating in Jorhat	The study examines the adoption of green banking practices by the SBI as well as customers with secondary sources of information. The study revealed that adoption of ATM is more beneficial than other green banking features. The study recommended that bank should build green banking awareness among its customers through various initiatives.
4.	Gon & Mititelu (2016)	CSR Practices in Leading Indian Banks	The study explores that CSR conceptual framework and CSR policy diffusion and integration towards Corporate banking with the secondary source of information. The study showed that Global level new guidelines and CSR core value has bit effect on corporate banking in the country level.
5.	Tejaswini (2019)	Perception of customers towards green banking	The study is conducted to examine the various green banking products and initiatives taken by the public sector and private sector banks in creating awareness among customers with the help of both primary and secondary source of information. The study result revealed that most of the literate clients are having positive perception towards green banking products.
6.	Sahi (2017)	Changing Scenario of Banking: An Empirical Study on Customers' Perspective on Green Banking.	The study is attempted to reveal the awareness of green banking initiatives, frequency of usage of green services and the perceived benefits of using green banking services among customers of both private and public banks. The study found that irrespective of education level most of the customers are favored towards green banking initiatives.
7.	Paluri & Mehra (2018)	Influence of bank's corporate social responsibility (CSR) initiatives on consumer attitude and satisfaction in India	The study conducted to gain an understanding of the consumer perceptions of CSR activities of banks in the country. The data were collected through primary source of information. The study found that CSR initiatives of banks are influenced by client's attitudes and satisfaction. Further it recommended that clients must be educated by the banks about their CSR initiatives.
8.	Sreesha (2014)	A Study on Green Banking Initiatives of Selected Private and Public Sector Banks in India	The study is conducted to study various models or channels through which making the bank branches green. It also focused on Green Banking activities adopted by private and public sector banks in India for environmental sustainability. The study found that public sector banks have taken more green banking initiatives than private sector.
9.	Vadrale & Katti (2016)	Green banking initiatives by Indian public and private sector banks	The study conducted to understand the use of Green Banking Products in banking sector and examine the green banking initiatives by top three Public and Private Sector Banks. The study opined that both private and public banks are effectively initiated the green banking practices. Further it found that public sector banks are more effective than private sector in respect of green banking initiatives.

10.	Tara & Kumar (2015)	Green banking in India: problems and prospects	The study examines the adoption of green banking products among customers with different age groups. The objectives of the study are examined by ANOVA and post hoc test tools. The study found that there is significant difference in the usage of green banking products across various age groups between Young and middle age. The young age class peoples have taken more interest than middle age class towards green banking initiatives. So the study recommended for conducting more awareness programs to middle age class customers.
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### C) Research Gap

According to a review of earlier studies, it was discovered that the studies were primarily concerned with how customers felt about green banking initiatives at public and private sector banks in India. However, no studies were conducted on how self-employed individuals felt about these initiatives at public sector banks in the Belthangady taluk of the Dakshina Kannada Districts. So, the goal of the current study is to better understand how self-employed people see public sector banks' green banking initiatives.

### D) Research Objectives

The following goals are what this study aims to achieve, and they are as follows.

- To study green banking & its benefits.
- To determine the degree to which independent contractors are aware of their banks' green banking activities.
- To study the perception & satisfaction of respondents towards green banking.
- To give findings based on analysis carried out in the study.

### E) Hypotheses

- 1)  $H_0$ : Awareness level and its purpose of usage is independent of each other
- 2)  $H_0$ : Usage of green banking services and satisfaction level of respondents are independent of each another.

## II. METHODOLOGY

The information used in this study comes from both primary and secondary sources. Primary data is gathered through an oral interview as well as a questionnaire presented to the respondents. Secondary data is gathered from publications including banking journals, bank annual reports, books, newspapers, and related websites. The gathered data is then tabulated and subjected to non-parametric analysis. For this study, the sample size is limited to 50 respondents in the Belthangady taluk of the Dakshina Kannada District. Which is taken into account the study field. Convenient sampling was the method of choice for this study. The respondents selected are independent contractors with their own businesses. Specifically the targeted audience is 10 kirana store owners, 8 footwear dealers, 6 vegetable & fruit vendors, 12 hardware shop owners in the town, 4 bakeries & 10 mobile & electronic shop owners.

## III. RESULT AND DISCUSSION

The responses provided by the respondents are used to analyze data. These responses are obtained through data collections from the questionnaires given to respondents

**Table 1: Age of the respondents**

Age	Number of respondents	Percentage (%)
21 – 30	22	44
31 – 40	16	32
Above 41	12	24
<b>Total</b>	<b>50</b>	<b>100</b>

**Table 2: Gender of the respondents**

Gender	Number of respondents	Percentage (%)
Male	44	88
Female	06	12
<b>Total</b>	<b>50</b>	<b>100</b>

**Table 3: Nature of business of respondents**

Nature of business	Number of respondents	Percentage (%)
Dealer	12	24
Distributor	14	28
Trader	24	48
<b>Total</b>	<b>50</b>	<b>100</b>

**Table 4: Present banker of respondents**

Banker	Number of respondents	Percentage (%)
Corporation	16	32
SBI	08	61
Canara	20	40
Syndicate	04	08
Vijaya	02	04
<b>Total</b>	<b>50</b>	<b>100</b>

**Table 5: Banking experience of respondents**

Banking experience (in years)	Number of respondents	Percentage (%)
Less than 3	16	32
3 – 5	20	40
Above 5	14	28
<b>Total</b>	<b>50</b>	<b>100</b>

**Table 6: Awareness of respondents on green banking**

Awareness level	Number of respondents	Percentage (%)
Highly aware	30	60
Aware	20	40
<b>Total</b>	<b>50</b>	<b>100</b>

**Table 7: Respondents purpose of green banking**

Purpose	Number of respondents	Percentage (%)
Convenience	20	40
Environmental concern	12	24
Time and cost saving	18	36
<b>Total</b>	<b>50</b>	<b>100</b>

**Table 8: Type of green banking transactions carried by respondents**

Type	Number of respondents	Percentage (%)
Mobile and internet banking	35	70
POS machine	15	30
<b>Total</b>	<b>50</b>	<b>100</b>

**Table 9: Perception rating of green banking by respondents**

Perception rating	Number of respondents	Percentage (%)
Excellent	10	20
Good	14	28
Average	18	36
Satisfactory	08	16
<b>Total</b>	<b>50</b>	<b>100</b>

**Table 10: Satisfaction level of respondents on green banking**

Satisfaction level	Number of respondents	Percentage (%)
Highly satisfied	14	28
Satisfied	24	48
Not satisfied	12	24
<b>Total</b>	<b>50</b>	<b>100</b>

**A) Chi square test**

In this study, the chi square test is employed to examine the relationship between two qualities. It is provided by

$$\text{Chi square} = \sum (O - E)^2 / E$$

Where ‘O’ is the observed frequencies and ‘E’ is the expected frequency and degree of freedom is  $(r - 1)(c - 1)$ . The null hypothesis is accepted if the calculated chi square is less than the tabulated chi square, and it is rejected if the calculated chi square is greater.

**a. H<sub>0</sub>: Awareness level and its purpose of usage is independent of each other**

Awareness level	Purpose of using green banking			Total
	Convenience	Environmental concern	Time saving	
Highly aware	14	07	09	30
Aware	06	05	09	20
Total	20	12	18	50

Chi square calculated is 0.8963 and the table value of Chi square at degrees of freedom  $(r - 1)(c - 1)$  ‘2’ is 5.991. Thus, the Chi square's table value is higher than its calculated value. The null hypothesis is acknowledged.

**b. H<sub>0</sub>: Usage of green banking services and satisfaction level of respondents are independent of each another**

Green banking services	Satisfaction level			Total
	Highly satisfied	Satisfied	Not satisfied	
Mobile and E-Banking	09	19	07	35
POS machine	05	05	05	15
Total	14	24	12	50

Chi square calculated is 1.954 and the table value of Chi square at degrees of freedom  $(2 - 1)(3 - 1) = 2$  is 5.991. Thus, the Chi square's table value is higher than its calculated value. This statement is true.

**IV. FINDINGS**

The study's findings are as follows:

- Most of the respondents are males in gender.
- Respondents with banking experience of 3 – 5 years are higher in number.
- 60% of respondents are well knowledgeable with green banking transactions.
- 40% of the respondents use green banking for their convenient transactions.
- 70% of the respondents use mobile banking and E-banking and the rest 30% transact through POS machine.

- 36% of the respondents perceive green banking as average.
- 48% of the respondents are pleased with the services offered by green banking.
- The respondent's motivation for pursuing green banking and his or her level of familiarity with it are unrelated (Chi square test).
- The respondents' satisfaction scores and their use of green banking services are unrelated. (Chi square).

## V. SUGGESTIONS

The following suggestions are given by the respondents which are worth considering:

- 1) Educating rural women folk and senior citizens on how to use green banking.
- 2) Awareness campaign has to be made from time to time to educate and encourage customers to opt for green banking.
- 3) Time to time incentives and rebates should be provided for any transactions carried out through green banking. This will not only motivate them but also influence other customers to go for the same.

### A) Scope of the study

As the numbers of customers are increasing day to day & are swiftly getting aware about green banking initiatives & technology based products also, its concern for saving future resources it is very much useful to them in one or the other ways or in one or the other situations. Still it is very necessary to disseminate knowledge for all major customers especially those who are staying in the rural remote areas where technology is still beyond their reach but are experiencing negative impact of climatic change. One of the major hurdle that need to be crossed here as early as possible is power cuts, signal & network problems etc. This is the prime reason why rural population still are comfortable with traditional banking systems & are very much reluctant to accept the changes in modern banking trends. Banks should still put lot of efforts to educate them & if possible help them to undertake technology based transactions. It is possible to carry out higher research by taking salaried class or a common man to understand about usage of green banking services. This can be done by taking larger samples & wider study area.

### B) Limitations of the study

The following limitations of this study have been noted, and they are as follows:

- 1) Only fifty respondents are taken for this study, as the number of entrepreneurs is lesser.
- 2) Smaller geographical area is selected due to the paucity of time.
- 3) Data is collected from the self-employed in their deep busy schedule & a few of them after their business hours as everything has to match perfectly.
- 4) Only public sector banks are more in the study area & hence they are taken, private sector banks are not taken in this study.
- 5) Since self-employed entrepreneurs were reluctant to respond to the financial matters, questions pertaining to their business turn overs are not asked.

## VI. CONCLUSION

Green banking initiatives are taken to save our resources as well as our forth coming generations. This will not only help the customers in carrying out their transactions with speed, efficiency and convenience but also help the bankers in increasing their customer size and volume of their business. Green banking will be the future of our Indian banking, as preferably our younger generations wants the same. They prefer to carryout banking transactions without visiting bank branches.

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