

SKILL DEVELOPMENT

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Abstract :The economic reforms initiated by the Government of India about two decades ago have changed the landscape of several sectors of the Indian economy. The Indian banking sector is no exception. This sector is going through major changes as a consequence of economic reforms. The role of banking industry is very important as one of the leading and mostly essential service sector .

INTRODUCTION

It is said that necessity is the mother of invention. Internet as a communication medium and as a repository of information has caught the imagination of computer users. This has fuelled an unparalleled growth in the number of Internet users.

Internet Banking System is a system that has been developed in order to help clients with the daily day-to-day transactions. Internet banking systems means that clients can now do banking at the leisure of their homes. Also known as online banking, the system allows both transactional and non-transactional features. Online banking or internet banking allows customers to conduct financial transactions on a secure website operated by the retail or virtual bank.

RECENT CHANGES IN INTERNET BANKING.

Internet banking system and method in which a personal computer is connected by a Network service provider directly to a host computer system of a bank. such that Customer service requests can be processed automatically without need for Intervention by customer service representatives. The system is capable of Distinguishing between those customer service requests which are capable of Automated fulfillment and those requests which require handling by a customer service representative.

AUTOMATED TELLER MACHINES (ATM):

An automated teller machine or automatic teller machine(ATM) is an electronic computerized telecommunications device that allows a financial institution's customers to directly use a secure method of communication to access their bank accounts, order or make cash withdrawals (or cash advances using a credit card) and check their account balances without the need for a human bank teller. Many ATMs also allow people to deposit cash or cheques, transfer money between their bank accounts, top up their mobile phones' pre-paid accounts or even buy postage stamps. On most modern ATMs, the customer identifies him or herself by inserting a plastic card with a magnetic stripe or a plastic smartcard with a chip that contains his or her account number. The customer then verifies their identity by entering a pass code, often referred to as a PIN (Personal Identification Number) of four or more digits. Upon successful entry of the PIN, the customer may perform a transaction. The growth of ATM's has rapidly grown in the public places around the globe.

Skill Development

TELE BANKING:

Undertaking a host of banking related services including financial transactions from the convenience of customers chosen place anywhere across the GLOBE and any time of date and night has now been made possible by introducing on-line Telebanking services. By dialing the given Telebanking number through a landline or a mobile from anywhere, the customer gets the following facilities

- ◆ Automatic balance voice out for the default account.
- ◆ Balance inquiry and transaction inquiry in all
- ◆ Inquiry of all term deposit account
- ◆ Statement of account by Fax, e-mail or ordinary mail.
- ◆ Cheque book request
- ◆ Stop payment which is on-line and instantaneous
- ◆ Transfer of funds with CBS which is automatic and instantaneous
- ◆ Utility Bill Payments
- ◆ Renewal of term deposit which is automatic and instantaneous
- ◆ Voice out of last five transactions.

SMART CARD:

A smart card usually contains an embedded 8-bit microprocessor (a kind of computer chip). The microprocessor is under a contact pad on one side of the card. Think of the microprocessor as replacing the usual magnetic stripe present on a credit card or debit card. The microprocessor on the smart card is there for security. The host computer and card reader actually "talk" to the microprocessor. The microprocessor enforces access to the data on the card. The chips in these cards are capable of many kinds of transactions. For example, a person could make purchases from their credit account, debit account or from a stored account value that's reload able. The enhanced memory and processing capacity of the smart card is many times that of traditional magnetic-stripe cards and can Accommodate several different applications on a single card. It can also hold Identification information, which means no more shuffling through cards in the wallet to find the right one -- the Smart Card will be the only one needed. Smart cards can also be used with a smart card reader attachment to a personal computer to authenticate a user. Smart cards are much more popular in Europe than in the U.S. In Europe the health insurance and banking industries use smart cards extensively.

DEBIT CARD:

Debit cards are also known as check cards. Debit cards look like credit cards or ATM (automated teller machine) cards, but operate like cash or a personal check. Debitcards are different from credit cards. While a credit card is a way to "pay later," a debit card is a way to "pay now." When you use a debit card, your money is quickly deducted from your checking or savings account.

Debit cards are accepted at many locations, including grocery stores, retail stores, gasoline stations, and restaurants.

E-CHEQUE:

- ◆ An e-Cheque is the electronic version or representation of paper cheque. The Information and Legal Framework on the E-Cheque is the same as that of the paper cheque's.
 - ◆ It can now be used in place of paper cheques to do any and all remote Transactions.
 - ◆ An E-cheque work the same way a cheque does, the cheque writer "writes" the e-Cheque using one of many types of electronic devices and "gives" the e- Cheque to the payee electronically. The payee "deposits" the Electronic Cheque receives credit, and the payee's bank "clears" the e-Cheque to the paying bank.
- The paying bank validates the e-Cheque and then "charges" the check writer's Account for the check

SWOC ANALYSIS OF INTERNET BANKING

STRENGTHS

- ◆ Greater reach to customers
- ◆ Quicker time to market

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- ◆ Ability to introduce new products and services quickly and successfully
- ◆ Ability to understand its customers' needs
- ◆ Customers are given access to information easily across any location
- ◆ Greater customer loyalty
- ◆ Easy online application for all accounts, including personal loans and mortgage 24 hours account access
- ◆ Alternative must be there in case of failure of system
- ◆ Quality customer service with personal attention

WEAKNESSES

- ◆ Lack of awareness among the existing customers regarding internet banking
- ◆ Obsolescence of technology takes place very soon specially in terms of security on internet.
- ◆ Procedure for applying for id and password for using services related to internet banking takes time.
- ◆ Lack of knowledge is found regarding internet banking in employees
- ◆ Implementation of newer technology is little bit complicated
- ◆ Employees need training to obtain knowledge regarding I-banking

OPPORTUNITIES

- ◆ Approximately 95% of customers are not using internet banking.
- ◆ Core competency can be achieved in terms of banking if focus is made on awareness of internet banking
- ◆ Concentration of various services should be made using internet banking

CHALLENGES

- ◆ Maintaining Business Edge over competitors in the context of sameness in IT infrastructure
- ◆ Multiple vendor support is necessary for working of highly complex technology
- ◆ Maintaining secured IT infrastructure for business operations

RECOMMENDATIONS AND SUGGESTIONS

TRAINING AND AWARENESS AMONG EMPLOYEES

It is recommended that Bank should conduct various training programmes for the employees, so that they will get aware with the terms of internet banking. After such programmes they can create awareness amongst the consumers.

There should be an open end discussion on the threats and vulnerabilities coming across the functioning of internet banking work by the employees in the various official forums and meets.

BUILD AN OPTIMAL OPERATING MODEL BY UNDERSTANDING WHICH ACTIVITIES TO RETAIN COLLABORATE AND OUTSOURCE

There should be clear sight of operations which needs to outsource to other companies, this will lead to ease in work for employees. Outsourcing operations like, cyber security department, building IT structure on internet.

BANK SHOULD CREATE AND SUSTAIN CUSTOMER, INVESTOR AND REGULATOR CONFIDENCE BY ADOPTING INTERNATIONAL ACCOUNTING STANDARDS

Adopting international standards adds some more star to the glory of any company, bank should impose such standards when it comes to internet banking or virtual banking, this will enhance the goodwill of bank among regulator, customers and investors.

BANK SHOULD ANTICIPATE AND GET PREPARED FOR REGULATORY CHANGES

Laws regarding IT or cyber laws get change as per the need. Bank should anticipate such kind of changes and get loaded with various plans and actions.

FOCUS ON IDENTIFYING CORE COMPETENCE

Bank possess some unique characteristics or positive points in it and with the help of them it can become a leader in market. Bank should identify such points and concentrate to flourish them more. This can be done with the help of internet banking, as internet banking of bank is getting largely accepted by customers.

INCREASING USAGE OF MOBILE PHONES IS GOING TO REVOLUTIONIZE THE BANKING CULTURE IN NEAR FUTURE

Mobile banking is also getting popular in the segment of internet banking thus this can add some more steps to progress for bank. Bank is into the mobile banking but it is providing limited features.

MORE STRESS SHOULD BE GIVEN ON SECURITY CONCERN ON INTERNET

There are some people who are into unethical practices of hacking of accounts of customers. This is nothing but the breach in the security of the bank on internet. There should be some measures in order to prevent such practices. IT structure should be unbreakable

CONCLUSION

This study states that internet banking provides greater reach to customers. Feedback can be obtained easily as internet is virtual in nature. Customer loyalty can be gain. Personal attention can be given by bank to customer also quality service can be served. Bank should know that No system is perfect, however a system of such a type will need to be very secure. This is a system which holds account details and customers wealth. If such a system was not trusted and not reliable, then bank would face serious laws and would lose business. It can be easily conclude that technological development in banking industry positively improves their services, competitiveness, branding and also loyalty. After studying the SWOC analysis, we came to know various strengths of bank such as quality customer service, greater reach, customer loyalty, easy access to information, 24 hours access, easy online applications etc. bank should put efforts to multiply the number of strengths. In terms of weakness I come to know some of the major weaknesses they are lack of awareness of internet banking among the customers, obsolesce of technology related to security, complicated procedures of availing internet banking facilities, lack of knowledge among the employees of bank. Bank should concentrate on the weaknesses and reduce them to zero. In the third segment of SWOC analysis of internet banking we dealt with opportunities like 95 % market of internet market is untapped,. By encashing such opportunities bank can become the leader in banking sector of India. In the last segment I come to know about various challenges which are in front of bank, like sameness in IT infrastructure within various banks, need of various vendor supports for complex technology, maintaining secured IT infrastructure, alternative mechanism in case of failure of present security system. The company can take the advantage of the reputation it has created in the market for itself and become more competitive

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