Impact Factor 6.853 SJIF

RESEARCH ARTICLE
Vol.10.Issue.4.2023
Oct-Dec

IJBMAS
www.ijbmas.in

ISSN INTERNATIONAL STANDARD SERIAL NUMBER INDIA
2349-4638

INTERNATIONAL JOURNAL OF BUSINESS, MANAGEMENT AND ALLIED SCIENCES (IJBMAS)

A Peer Reviewed and refereed Journal

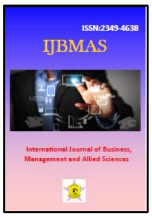
IMPLEMENTATION OF HUMAN RESOURCE MANAGEMENT IN THE DIGITAL ERA- CASE STUDY

SUJATHA DASARI

Lecturer in Commerce, Y.V.N.R Government Degree College Kaikaluru, Eluru District, Andhra Pradesh, India

Email: sujathadasari90@gmail.com

DOI: 10.33329/ijbmas.10.4.1



ABSTRACT

The digital era arose as a result of the rapid advancement of globalisation, allowing for widespread integration across a variety of sectors worldwide, including banking, government operations, socioeconomic activities, and education. This study begins by incorporating private sector HRM, as evidenced by the construction model's various conceptual and practical components. In the digital age, basic skills are critical for developing a competent private sector workforce and effectively using increasingly advanced online applications. The purpose of this study is to examine the concept of "digital transformation", assess the benefits and drawbacks of implementing digital transformation in the banking industry, and assess its impact on productivity using qualitative research methodology. Interviews were conducted with employees from both public and private banks in Vijayawada and Guntur, Andhra Pradesh, India. The goal was to make a valuable contribution to the study. The data collected from the interviews was evaluated, yielding several results that were consistent with the research objectives. The research findings show that digital banking has both advantages and disadvantages. Although there are advantages in terms of cost, time efficiency, environmental sustainability, and improved banking services for customers, there are also disadvantages such as security risks, potential job losses, and negative effects on bank transactions and customers. Furthermore, it has been determined that the benefits for clients, financial activities, and bank personnel improve efficiency. The negative effects on productivity are observed to include a variety of factors, including customer attrition, competitive landscape, security concerns, and job insecurity among bank employees.

Keywords: HRM, Banking, digitalization, digital era, case study

Introduction

The advancement of technology in recent years has resulted in digitalization, which has permeated all aspects of our lives. This digitalization has also enabled numerous innovations and transformations in the banking and financial industries. Countries, individuals, and systems impacted by globalisation actively embrace digitalization as a means of fostering connectivity and keeping up with rapidly evolving technology. The concept of digitalization, which allows for the efficient and expeditious execution of manual tasks, has gradually impacted various areas of work on a daily basis. The banking industry, which values customer satisfaction, has recently embraced digitalization.[1]

Banks are increasingly focusing on digital banking to streamline transactions and reduce costs, while also taking into account the importance of trust and customer satisfaction. The banking sector contributes significantly to countries' economic development. As a result, the primary and most important goal of malware is to disrupt sector-based services. Banks face cyber threats on a regular basis as a means of protecting themselves.[2] Banks consider the impact of digitalization in order to mitigate these threats and improve the security of their services. Furthermore, in order to remain competitive in an ever-changing business landscape, the banking industry has quickly adopted digitalization as a critical factor. The banking industry has quickly adopted digitalization to improve operational speed and efficiency for customers, covering the entire process from customers to personnel, suppliers to traders. This implementation provides time savings and benefits through the use of digital products.

Services such as digital banking, wearable technologies, artificial intelligence and the internet of things, which enable the use of digital transformation channels, have been seen as elements that will nourish digital banking; Channels such as cash machines, kiosk banking, internet and mobile banking, and telephone banking are among the digital channels used[3]. In digital banking, making it easier to do business without going to branches, preventing paper consumption in the workflow, saving time for customers and employees, etc. The advantages have contributed greatly to the banking sector. However, no matter how beneficial it may seem, research has revealed that digitalization also has negative aspects. Due to technological development, the need for personnel decreases and people start to become unemployed, property owners and other businesses working in partnership with banks are negatively affected financially due to branch closures, transactions are disrupted when there is a problem with internet access, etc. Problems such as these are among the disadvantages of digitalization in the banking sector. In summary, digital transformation implemented in the banking sector affects banking transactions both positively and negatively. Any disadvantageous situation will negatively affect the efficient functioning of the sector, and this will bring up various problems for both the sector and employees and customers. In this context, the main purpose of the study is to examine the effects of digital transformation on productivity in the banking sector.

Literature review

Increasing innovation in information technologies in recent years has affected the banking sector as well as all sectors. Technological developments, which provide great benefits in terms of transaction speed, cost, time savings, customer satisfaction, customer-oriented innovations, and faster adaptation to competition, have brought about the concept of digital banking, which is a new trend. However, as a result of the rapid change, it has become inevitable for risk issues to come to the fore. Diversity of services reduces customer loyalty, decreases in the need for labor with the development of technology, increases in unemployment, problems of adaptation to innovations, security problems, etc. Many risk phenomena have also emerged. For this reason, many researchers have begun to investigate both the positive and negative aspects of digitalization and the digitalization process experienced in the banking sector. In this regard, in this part of the study, some examples of studies conducted both nationally and internationally in accordance with the purpose of the study.

The concept of digital transformation and efficiency

Digitalization is a concept that emerges due to technological developments and refers to all electronic distribution and service infrastructures[4]. In addition, the concept of digitalization, defined as transformation, revolution and innovation, is also defined as innovation that aims to achieve the highest efficiency with the lowest level of physical labor and emerges with the constant change of resources. For this reason, it contributes greatly to efficiency in both the lives of individuals and the business processes of businesses. Digitalization, which creates great transformation and innovation in people's lifestyles and the way companies work, forms the basic structure of modern life and businesses[5].

Digitalization covers a whole that reflects the processes integrated with developing information technologies in order to ensure the accessibility and protection of the information resources used. Digitalization has three separate functions. These;

- Reproduction is the function of creating an electronically similar version of the original source that is as consistent as possible.
- The access function is a very important digitalization function that is carried out to ensure access to the original material during the digitization process.
- The process is the function of transferring the information in the material in the analog environment to the electronic environment in order to configure the automatic collection management systems in the most healthy and successful way.[6].

Digitalization emerged to respond to the ever-changing needs of people; It has contributed to the renewal and development of people. Since the emerging new needs pave the way for the invention of new things, the world of science has always been in search of the new in order to make life easier[7]. Keeping up with the digital age has become a necessity. Because with the digital age, the rules of doing business have changed; All the rules that were valid before have started to lose their importance. This situation required that information technologies be harmonized with the digitalization process and developed in accordance with standards. It is necessary to evaluate all these situations as an opportunity, get rid of prejudices and make the right decisions. Everyone should digitalize in their own field of duty and thus the digitalization process should proceed successfully[8].

The element that started with the digital revolution and started to gain importance is the technologies of production, use and transmission rather than the information produced, used and exported. Society, trying to exist in the digital age, is living in an environment that requires many processes related to their lives to be carried out through computers, mobile devices and the use of the internet. This situation affects the digital age society differently from previous societies in terms of both accessing information and keeping up with the times. With the digital environment, developments such as creativity, innovation, difference, change in lifestyles, communication in social media environments, sharing of ideas, widespread use of the internet, and the gradual development of technology have led to the emergence of new economic concepts. The use of new technological developments and the internet in the economic field reflects the transfer of most economic events to the digital environment. Fast communication, transparency, easy access, interaction, unlimited market access, intense competition, and moving trade in goods and services to the digital environment have made change in the way businesses do business inevitable. Businesses that do not want to remain indifferent to these developments and try to gain competitive advantage have wanted to continue their activities in a digital and dynamic structure and have begun to get involved in the digitalization process[9].

There are many benefits of digital transformation, which saves a lot of cost and time as a result of the use of information technologies in many different areas and rapid access to information. These have many benefits such as time, efficiency, reduction in expenses, reduction in errors caused by personnel, sustainability, consistency, automation, instant analysis, effective management process, business intelligence supported by artificial intelligence.

Efficiency, which is a concept that reflects how effectively the resources of businesses are used when producing goods and services, meets certain conditions. These conditions are that more output is achieved by using the same input, the same output is obtained by using fewer inputs, and the outputs obtained increase more than the increase in inputs[10].

In other words, efficiency is achieving the most production with the resources available. All societies aiming to increase the level of welfare aim to maximize their production by using their existing resources in the most beneficial places and ways. Therefore, efficiency is a very important concept for the economic systems that support the development of these societies and society. The importance of productivity is increasing, especially for all countries that have a development target with scarce resources, such as India[11].

Efficiency in the banking sector, as in all sectors, has become a concept that has gained importance in recent years. Because it is no longer enough for banks to do traditional banking and repeat what is done constantly. In parallel with the technological changes, the financial sector is also changing day by day. Banks, which have a significant share in the financial sector, cannot remain indifferent to the developments and must resort to new ways in order to develop rather than continue to survive, make inefficient areas productive and focus on customer-oriented work in a way that will contribute to efficiency. Digitization has become an integral part of people's lives, and they have been adjusting to customer-focused experiences and digital transformation in recent years. People who use banks are also subject to this. Traditional product-oriented marketing is losing ground with today's consumers, who instead value products with intuitive design and minimal learning curves. This is why financial institutions must prioritise the ongoing digital transformation and grow in tandem with it. Similarly, banks that plan to grow within this framework have a good chance of becoming more efficient. Efficiency in operations and other areas was quickly attained by many industries that embraced digital transformation (employees, time, cost, etc.).

According to Dave Buerger, published by The Financial Brand, there are 3 important digital transformation elements that can increase efficiency in the banking sector and have a rapid impact on customers. These;

a. Automation: By keeping up with technology and especially when equipped with automation technology, banks use their time and resources more effectively and efficiently. Thus, they have the opportunity to increase their service quality by providing more services to their customers. As many manual processes are replaced by automation, the difficulty of the work disappears; The slow process accelerates. Thus, banks will focus on customer data and experiences by using their resources and energy more effectively, so they will have the necessary productivity, time and competence in matters such as data analysis and increasing value for the customer.

b. Application: If activation is to be considered as a second opportunity in terms of efficiency, banks should take advantage of technology and personal data in order to offer new products and services compatible with technology to their existing customers. It would be more positive to offer pre-approved loans and offers to customers rather than having them fill out forms for a long time. It would be more efficient in terms of operation and process to create and use a service structure where consumers can activate only the product they want after seeing the offers and services, instead of applying for approval and waiting for a long time.

c. Banks that switch to faster credit automation and credit activation can perform long-lasting transactions without requiring more resources and reduce paper-based transaction processes. In addition, they gain new, more advantageous and efficient skills in terms of technology and customer experiences. In this way, correct models are created for issues such as creating value for the customer, easing bank transaction processes, and using the right resources. In this process, where digital transformation and experience become increasingly important with technology, providing customers with easy but simple structured sophisticated services is possible, and this creates great value for banks[12].

In the light of all this information, it can be said that digital transformation, which has gained importance in the banking sector, has advantages in many areas such as the operation and services of banks, and in this case, it is related to efficiency.

However, in addition to these, digital transformation has disadvantages in the banking sector, as in every sector. The most important of these is the lack of trust in electronic environments. In particular, situations such as sharing personal identity information, security breaches that occur during transactions, and theft of account information are threats. Careless and careless behavior of customers and negligence of bank employees also reveal security violations. The gradual change of technology requires sectors to work faster. Fast technology, which requires quick changes to operational designs, also reveals inadequate infrastructure problems. Internet access, which is of great importance in terms of digitalization in the banking sector, is the first condition of digital banking. In digital banking applications, it is a disadvantage for customers to experience connection and speed problems while performing their transactions, and it negatively affects the efficiency and effectiveness of banks' operations. In addition, with digital transformation, transactions are shorter and easier, which has a negative impact on both the decrease in the number of branches of banks and the decrease in the number of employees in parallel with the decreasing number of branches. Such a disadvantageous situation brings up unemployment problems and causes employees who continue to work to worry about losing their jobs. This situation is reflected in the working conditions and success of the staff. The effectiveness and efficiency of employees who are under this psychological pressure and anxiety will decrease; Thus, serious problems will arise in the execution of bank transactions. In summary, it seems that the digital transformation in the banking sector has some advantages and disadvantages. It is also seen that these have positive and negative effects on productivity regarding the success and functioning of the sector. For this reason, the main purpose of the study is to reveal the advantages and disadvantages of digital transformation in the banking sector; to investigate its contribution to productivity. In this context, qualitative research was conducted on bank personnel working in the Vijayawada and Guntur region and the results were tried to be interpreted in line with the purposes of the study.

DIGITAL TRANSFORMATION AND DEVELOPMENT IN BANKING

Banks are defined as superstructures that change and develop with the economic processes that humanity has gone through, differentiate according to the needs of the age and fulfill increasingly important functions. As a result of the developments that have continued from ancient times to the present, traditional banking and its services have become versatile and complex[13]. It has been revealed that the first steps regarding banking were seen in the Sumerian and Babylonian civilizations. It is seen that, for the first time, in Sumer and Babylon around 3500 BC, a number of documents emerged in temples showing that priests lent money to people who wanted loans, and these were defined as banking documents. Apart from this, in Sumerians, the money entrusted to the clergy who were deemed to be reliable was distributed to people in need. Organizations that undertake banking duties in this way are called "Maket"[13].

It is seen that banks, whose development accelerated throughout the historical process as their areas of activity and service expanded, are in a constant change and transformation in order to keep up with the developments in communication technology and financial markets. The intensive use of technology in almost every field has resulted in the acceleration of the transformation process in the banking sector and the need to access banking services from anywhere. In line with all these needs, banks have started to constantly follow the developments with an understanding that is open to innovations. Electronic payments first started in the 1950s, when credit cards entered the market, and rapid changes began to occur in banking. Significant developments took place in the banking sector with the establishment and introduction of ATMs in the 1960s, the establishment of SWİFT with the emergence of the concept of electronic commerce in 1970, the increasing use of computers in the financial sectors in the 1980s, and the acceleration of the use of the internet in the 1990s. New eras have begun in the banking sector, where great changes and transformations were experienced digitally, especially in the 2000s. With the increasingly widespread use of the internet, it has become easier to perform banking tasks such as money transfers, account tracking, and bill payment transactions[14]. The digitalization stages in the services of banks that pay great attention to digital transformation are as follows:

Table 1. Stages of digitalization in the banking sector[14]

Digital Banking 1.0 (1998-2002)	Digital Banking 2.0 (2003-2008)	Digital Banking 3.0 (200-2014)
• Customer relationship management	• Online Credit Simulators	• 360 degree customer view
• Database management	• Know your customers process	• Big data and information technology analytics
• E-mail contact center	• Online bill payment	• Smartphone applications

According to the table data above, it is seen that Digital Banking 1.0 is the first phase of digitalization in the banking sector and covers the developments between 1998-2002. The biggest success achieved in this phase is that customers have gained the habit of paying online through the use of the internet. In the Digital Banking 2.0 phase, which is defined as the second phase and referred to as neo-banking in some sources, the most important development that attracts attention is the success of mobile banking and the use of products in this direction. Mobile banking application has provided the banking sector with the opportunity to save time and improve customer experience in the digitalization process. Neo-banking, which is also very cost-effective, provides a great advantage in terms of cost compared to conventional banks. The Digital Banking 3.0 phase, which increases the banking experience through the Internet of Things, is the phase that allows banking transactions to be carried out even with any device with internet access other than PCs, smartphones and tablets. This phase includes features such as facilitating customers' decisions and providing suggestions to customers regarding their transactions. Digital Banking 4.0, the last phase in the digitalization of banking, is the phase that includes new habits and new formations such as Fintech that will make life easier for customers. At this stage, technological developments financially affect banks' relationships with their customers and the products and services available for use. These phases in order to keep up with the digital transformation in the banking sector are the banks' customer acquisition through digital channels, easy communication, getting work done in a shorter time, reducing costs, etc. It has guided banks on many issues[15].

Digital transformation, which has made great progress in India as in all countries of the world, has started to make itself felt in the banking sector as well as in other financial sectors. One of the most important determinants of the digital transformation in India is the country's young population. This situation is closely related to the high level of mobile technology use and technology adoption rates of the young population. However, situations such as the increasing interest in e-commerce transactions, the widespread use of credit cards and the widespread use of social media put India at the forefront. It also makes India a very attractive market for the payments industry, and digital banking in India is developing significantly every day.

METHODOLOGY

Purpose of the research

Technological changes that emerged in the 21st century gradually make human life easier. This age, called the age of technology, is called digital, and all sectors within the economic system aim to adapt to the conditions of this age. The digitalization process, which deeply affects all sectors and causes radical changes in labor markets, has also paved the way for the adoption of changes in the banking sector. However, it has been revealed as a result of literature reviews that this change and transformation process has both advantages and disadvantages for the sector. In this context, in this study, "What are the effects of the advantages and disadvantages of digital transformation on productivity in the banking sector?" It is aimed to answer the question. For this reason, it is first aimed to determine what the advantages and disadvantages of digital transformation in the relevant sector are. In this context, the main questions created in the study in order to achieve the purpose of the research are as follows:

1. Do you think digital transformation has advantages in the banking sector?
2. "Do you think that the advantages provided by digital transformation affect productivity?
3. Do you think digital transformation has disadvantages in the banking sector?
4. Do you think that disadvantages affect efficiency in the banking sector?

Research Method

In this study, in which semi-structured interview technique was used, one of the interview techniques among the qualitative research methods, interviews were conducted with individuals working in the banking sector and it was aimed to achieve the purpose of the study. Qualitative research is defined as a research method that aims to obtain broad and deep information about little-known topics by using a limited sample[12]. Qualitative research, which aims to reflect experiences by interacting with individuals who have experience on any subject, generally strives to understand actions and narratives[16].

The subject of the research is to examine the advantages and disadvantages of digital transformation in the banking sector and their effects on productivity. In this context, a total of 8 questions were asked to the participating bank employees; Four of them contain demographic information, and four of them are questions created directly for the purpose of the study. In this study, where participants were asked to read and answer the questions carefully, the principle of volunteering was prioritized and face-to-face interviews with participating bank employees were preferred. For this reason, the interview form technique, one of the qualitative research methods, was used to guide the researcher in the most appropriate way.

Population and Sample of the Research

The research population consists of public and private banks located in the Vijayawada and Guntur region. In order to achieve the purpose of the research, the criterion sampling method was used to determine the sample. Criterion sampling is one of the purposive sampling types that includes individuals, events, objects or situations with certain characteristics in any research. In qualitative research, the number of sample sizes can be 1 or 12 people[14]. In this study, individuals from bank employees operating in the Vijayawada and Guntur region who wanted to participate in the research voluntarily were selected and interviews were conducted using the semi-structured interview form technique. The number of participants contributing to the study on a voluntary basis is 21 people, and all of them are actively working in banks. In the study, the participants were given nicknames as B1, B2, B, 21. Some information about the participants of the research is given in Table 2.

Table 2. Information about the participants

Participant	Professional Experience Period (Years)	Gender	Bank (Public sector/ Private sector)
B1	10	Male	Public
B2	13	Male	Public
B3	5	Female	Public
B4	14	Male	Public
B5	6	Male	Public
B6	16	Male	Public
B7	9	Female	Public
B8	2	Male	Private
B9	8	Male	Private
B10	13	Male	Private
B11	8	Male	Private
B12	7	Female	Private
B13	20	Male	Public
B14	14	Female	Private
B15	8	Male	Private
B16	11	Male	Private
B17	7	Male	Private
B18	2	Female	Private
B19	20	Male	Private
B20	10	Female	Private
B21	12	Male	Public

Looking at the information in Table 3, 9 of the bank employees are in public banks; 12 of them work in private banks. It is seen that most of the employees, whose working years and genders differ from each other, have 5 years or more of experience. Employees were also asked: "What are the digital transformation tools used in your banks?" Most of the answers given to the research question stated that tools such as ATM, Mobile Banking, Internet Banking, Voice Recording Technology, E-Invoice and E-Signature, which have become easier with Mobile Banking, are used.

Data Collection and Analysis

The data collection tool used in this research is interview forms. During the interview, participants were asked 8 questions regarding the research. While creating the questions, the information obtained as a result of the literature review was taken into account and opinions on the subject were obtained from two expert bank employees. For the interview, bank employees were first called by phone, an appointment was requested at convenient hours, and a face-to-face meeting was held; Research forms were filled out. Due to the intense work tempo and the epidemic process, the number of participants was 21 people. Content analysis method was used when analyzing the data obtained from the research. Content analysis is a type of analysis that aims to reach concepts that will enable the explanation of the data obtained in any research and to discover unnoticed themes with a descriptive approach, enabling the formation of themes by coding[11]. There are three stages in content analysis, which is frequently used in qualitative research methods. These;

- Analysis time, preparation and editing phase of the data,
- Data coding and classification phase,
- The stage of presenting the data to the relevant parties in the form of figures and texts prepared for the purpose.

The data obtained from the interview was subjected to coding and content analysis for the purpose of the research, after obtaining the permission of the bank employees, provided that personal information remained confidential. Direct quotations are included in order to fully reflect the opinions of the employees participating in the study; Issues such as explanatoryness, diversity and suitability to the subject were also taken into consideration in the selection of quotes. In addition, the data obtained as a result of the research were transferred to digital media and analyzed with the NVivo 11 program. All data obtained as a result of the interview were examined independently of each other and coded according to the results. The answers given were examined, differences and similarities were identified and grouped. Subsequently, themes were created by bringing together the codes that were related to each other.

Limitations and Assumptions of the Research

The epidemic process experienced at the time of the research created limitations in communicating with individuals. In addition, the regional nature of the study requires travel to and accommodation in different cities, which poses a limitation in terms of time and cost. The research findings are limited because they do not reflect the views of all individuals working in the banking sector and do not claim to fully represent the entire structure of digital transformation. It is assumed that bank employees participating in the research are sincere in their answers to the questions.

Reliability and Validity of the Research

In accordance with the principle of reliability in qualitative research, the information obtained for the research must be meaningful and consistent within itself. In order to ensure reliability in the analysis of the data obtained in the study, the following formula created by Miles and Huberman (1994)[17] in their research was taken into account:

$$Reliability: (consensus/consensus\ +\ disagreement\ X\ 100)$$

According to the formula, 70% is the accepted rate (Miles & Huberman, 1994: 64). In this study, the rate obtained according to the formula was determined as 81% and it was concluded that the results obtained were reliable.

It should also be related to the conceptual framework of the subject. For this reason, one of the issues that should be taken into consideration in qualitative research is internal validity. In order to have internal validity, the researcher must take some precautions[10-12]. In order to ensure internal validity in this study, direct quotes from the participants were included and attention was paid to ensure the consistency of the data collection tool with the literature.

Ethics of Research

The main ethical rules accepted in studies using qualitative research methods are listed below:

- The principle of non-deception, which aims to ensure that participants in the research are not misled.

- The principle of informed consent, which aims to take into account the principle of volunteering, provided that the people who will participate in the research are informed in detail about the subject.
- Confidentiality policy that ensures that the private information of institutions, businesses and individuals participating in the research is not disclosed,
- Being faithful to the data in matters such as carefully collecting, examining and analyzing the data related to the research, and announcing the results,
- The principle of obtaining consent before interviewing participants, submitting participant and information consent forms before the interview, and obtaining consent,

In this research, all of the ethical principles in question were complied with and the study was tried to be carried out within this framework.

Results and discussion

In this section of the study, we tried to include the data and results obtained from the research.

Findings to Identify the Advantages of Digital Transformation in the Banking Sector

In order to determine what the advantages of digital transformation are in the banking sector, participants were asked: "Do you think digital transformation has advantages in the banking sector?" If your answer is “Yes”, what are these advantages?” The research question was posed as: 21 of the participants answered "Yes". In this context, content analysis was conducted within the framework of the answers received from the participants and the prominent themes are shown in Figure 1.

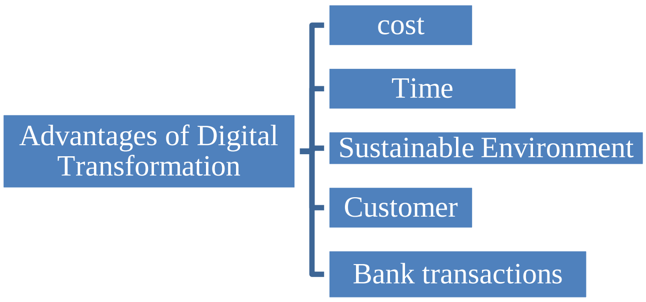


Figure 1. Thematic representation of findings regarding the advantages of digital transformation

Some of the participant expressions that form the basis of the themes in Figure 1 are given below.

- “With fewer in-branch transactions, less paper, energy, etc., banking-related risks are going down to almost nothing. As a result of reduced consumption, it has a positive impact on environmental sustainability. Bank employees will have more time to focus on product marketing as a result of fewer branches. Banks' profits rise as expenses fall due to the digitization of banking transactions. Now is the time for the sector to receive more substantial investments.” (Participant B1)
- “Our customer base has grown, and we've been able to close more deals in less time thanks to the digitization that technology has made possible. There were time and money savings as a result of this circumstance. Reason being, marketing and customer service go hand in hand. It required a lot of time and money in terms of strategy. These are the primary benefits that these procedures offer to financial institutions. (Participant B18)
- “Faster processes lead to better time management, which provides advantages in reducing the workload on employees. And bank transactions operate more smoothly.” (Participant B11)

- “With digitalization, transactions are developing faster, transaction diversity is increasing and customer satisfaction has increased. These situations provide advantages in terms of time in banking services and are advantageous in terms of obtaining more customers. "In addition, since less paper and paperwork is used for transactions, nature is protected and contributes to the understanding of a sustainable environment." (Participant B12)
- “Mobile banking, etc., in a shorter time by coming to the bank less frequently. Transacting through these methods saves time for the customer and the employee, reduces the bank's cost factors in matters such as marketing and finding customers, and makes bank transactions easier. “I think digitalization is advantageous in terms of both bank transactions, time and cost” (Participant B9)
- “Customers no longer need to come to the bank. They started to carry out their transactions in a shorter time and with less cost, from wherever they are, via the Internet. In this way, customer accumulation in the bank was prevented and customers gained advantages.” (Participant B13)
- “Transaction completion time has shortened and service quality has increased. "Even in transactions that require customers to come to the branch, thanks to digital transformation and tablets, transactions are completed without the need for them to come, and more work is done with fewer personnel." (Participant B14)
- “It has advantages such as reducing customer density in branches, saving time and reducing the use of documents. With the decrease in the use of documents, stationery materials, paper etc. It is used less, which is environmentally advantageous.” (Participant B17).

Findings on Identifying the Disadvantages of Digital Transformation in the Banking Sector

The question "Do you think digital transformation has disadvantages in the banking sector?" was asked to bank employees who wanted to contribute to the research. When the answers to the research question were examined, 12 of the participants answered "No"; It is seen that 9 of them answered "Yes". When the answers of those who answered "yes" were examined, they stated that digital transformation brought about many disadvantages from a sectoral perspective. By making content analysis in the light of the answers given; The prominent themes are shown in Figure 2.

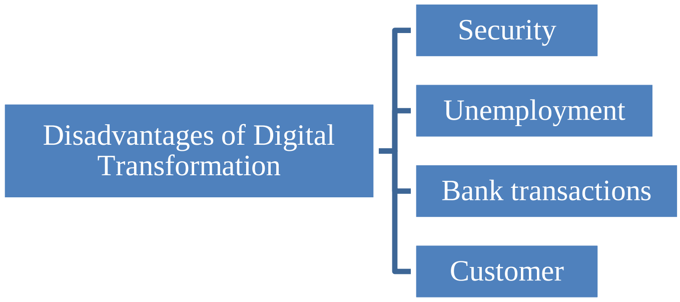


Figure 2. Thematic representation of findings on the disadvantages of digital transformation

Some of the participant expressions that form the basis of the themes in Figure 2 are given below.

- “With the digital transformation in the sector, marketing of different products will become difficult as the customer will not be able to contact the branch, and banking commission income will decrease due to the decrease in transactions made at the branch. “Digital transformation may also pose a security risk for both the bank and the customer.” (Participant B2)
- “Due to the shorter time required for bank transactions, branches were closed and the number of employees decreased. This situation has brought about employment problems such as unemployment. In addition, warm contact with customers has decreased.” (Participant B19)

- "Besides its advantages, of course it also has disadvantages. One of the most important; Digital frauds have increased and security vulnerabilities have occurred." (Participant B14)
- "The decrease in the need for manpower with developing technology is a disadvantage. Because it causes unemployment, which is a big problem in society." (Participant B8)
- "Digitalization causes an increase in fraud transactions and poses a risk when it cannot keep up with the digital age or is used unconsciously. (Participant B3)
- "With the digital transformation that develops due to increasing technology, relations with customers are weakening, and the number of bank branches is decreasing due to more work being done with fewer personnel. This creates problems such as unemployment. Many university graduates remain idle. People who have graduated from departments such as Banking and Insurance are among these." (Participant B7)

Findings for Examining the Effects of the Advantages Provided by Digital Transformation on Productivity

In order to determine what the advantages of digital transformation are in the banking sector, participants were asked: "Do you think that the advantages provided by digital transformation affect productivity?" If your answer is "Yes", what are these advantages?" The research question was posed as: All participants answered "Yes". In this context, content analysis was conducted within the framework of the answers received from the participants and the prominent themes are shown in Figure 3.

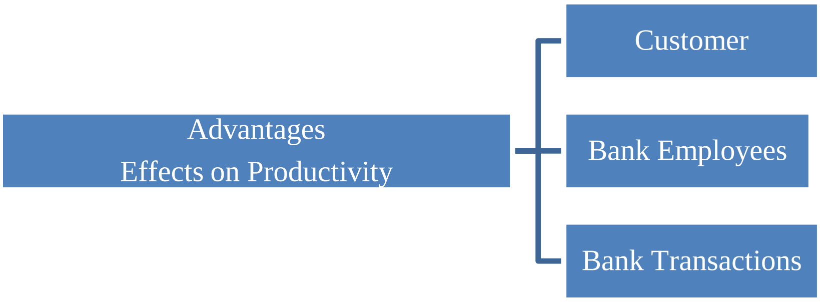


Figure 3. Thematic representation of the effects of the advantages provided by digital transformation on productivity

Considering the themes in Figure 3, some of the responses received from the participants are given below.

- "Due to the developments brought about by digital transformation, a competitive environment is created, and situations such as decreasing customer density and spending more time on marketing activities contribute positively to the transactions of banks, which increases the efficiency in transactions. In addition, the working efficiency of bank employees who deal with fewer customers will increase depending on their working conditions. In addition, with the use of digital transformation, the risk level will decrease and efficiency in bank transactions will increase." (Participant B1)
- A more productive working environment will be created by relieving the intensity of bank personnel. Customer satisfaction will be achieved as customers can carry out their transactions from the comfort of their homes without coming to the bank. "Doing more work in less time will contribute greatly to the working efficiency of banks." (Participant B3)
- "As branch density decreases, customers have the opportunity to spend more time, and more effective and successful communication is established with customers, which increases trust in

the bank and its employees. This increases productivity by making a positive contribution to both bank transactions and employee motivation." (Participant B5)

- "Doing more work with fewer personnel increases employees' interest in their work, and their desire to work enthusiastically increases. In addition, digitalization, which contributes to faster and more accurate transactions, allows employees to spare time for themselves, which has a positive impact on employee productivity. Apart from this, it is ensured that bank transactions are carried out more successfully, as problems such as less risk, erroneous transactions and document deficiencies are reduced. This also contributes greatly to efficiency. (Participant B20)
- "Completing the work in a shorter time contributes to the bank in terms of time, cost and quality. This shows that the bank transactions are successful. In successful banks, both employee and customer satisfaction are at the forefront. This situation is both productive for the bank by increasing the number of customers, and since the employees are rewarded by the bank, their motivation increases and employee productivity increases. (Participant 10)
- "It allows for less risky transactions in terms of bank transactions, which increases customers' trust in both the bank and the employee. In this way, more successful works will emerge as employee productivity will increase." (Participant B 21)
- "Customers getting their work done without coming to the bank, banks doing their work in less time and cost, and needing fewer employees provide advantages in banks' transactions. In such a situation, banks provide bonuses etc. to motivate existing employees. It aims to increase efficiency by providing "These strategies contribute positively to employee productivity." (Participant B11)
- "Digital transformation will reduce the need for labor in banking. This will create a negative development in terms of employment. However, carrying out transactions through digital channels will ensure that time is used more efficiently for both the bank and the customer, and transactions will be completed in a very short time without going to the bank." (Participant B2)

Findings for Examining the Effects of Digital Transformation on Disadvantages and Efficiency

In order to examine the effects of the disadvantages of digital transformation on productivity, a content analysis was conducted on the answers given to the relevant question posed to the participants; The prominent themes are shown in Figure 4 and some statements from the participants are given below.

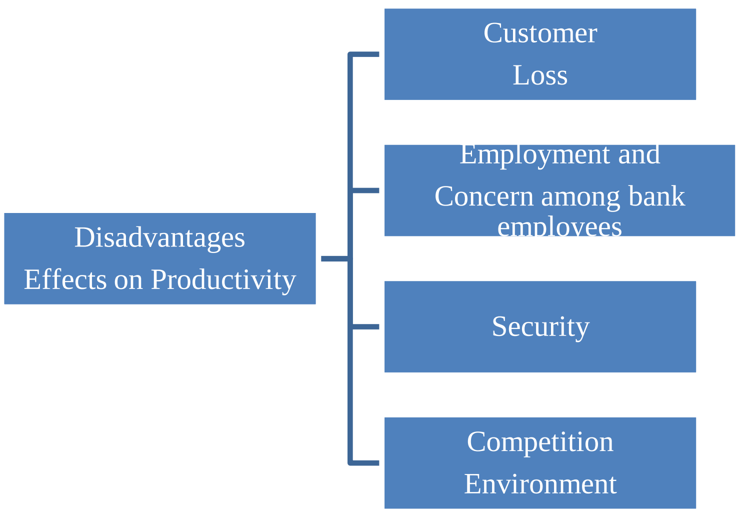


Figure 4. Thematic representation of the effects of digital transformation disadvantages on productivity

“Digital transformation will reduce the need for labor in banking. This will create a negative development in terms of employment. "With the increase in unemployment, current employees will have job anxiety, and this will have a negative impact on their working efficiency." (Participant B2)

“Digital transformation has a very important place in the banking sector, as in every sector today, and important steps are taken by banks in the name of digitalization every day. This creates a highly competitive environment in the banking sector and plays an important role in customers' bank selection. There will be a shift of customers to banks that offer newer digital transformation channels, and the resulting customer loss will negatively affect the motivation of bank transactions and employees, reducing productivity. "In addition, the decrease in the need for workforce due to digitalization may have negative consequences in terms of employment." (Participant B15)

- “Digital transformation tools used unconsciously will reveal security problems, which will reduce customers' trust in the bank and bank employees. This situation will indirectly affect the decrease in the quality and efficiency of bank transactions. “ (Participant B7)
- “One situation that forms the basis for the increasingly widespread unemployment problem is the problem of reducing the number of branches brought about by digitalization in the banking sector. The main reason for this problem is that more work is done with fewer employees. Although it may seem positive, this situation also has a flip side. This is the concern among current employees, "I wonder if we too will be laid off tomorrow?" This anxiety greatly reduces employee productivity, which is reflected in bank transactions.” (Participant B8)
- “Middle-aged and older customers who cannot keep up with the digital age are faced with fraud. "This situation negatively affects the relationship between employees and customers, causing a decrease in the work efficiency of employees." (Participant B3)
- “The decrease in the number of employees and the elimination of warm contact with customers affect the quality level and efficiency of bank transactions in every sense. Namely, employees who are not laid off are worried about the future, which negatively affects their working conditions. Since there is no close contact with customers, security violations occur, sometimes from customer sources and sometimes from employees, and customers start working with other banks, which reduces the efficiency and quality of bank transactions.” (Participant B14)

CONCLUSION

Technological innovations that affect the efficiency of production factors and develop day by day under the influence of globalization are seen as a factor that affects every sector within the economic system, as well as the banking sector. Rapid adaptation to existing innovations in financial markets and money markets has increased money mobility and made the use of digital channels such as internet banking and mobile banking mandatory. The banking sector plays an important role in digital transformation in order to keep up with these developments and ensure customer satisfaction; It is increasingly diversifying the services and products it offers. Otherwise, there will be no chance of success in keeping up with the competitive environment. Because increasing the number of customers in competition has now gone far beyond the easy credit opportunities offered to customers. Banks have now reached the stage of offering services such as digital software and mobile banking that will make customers' lives easier and give them the freedom and ease of doing their business regardless of time and place. Among the digital transformation services used and developed by banks in recent years, ATM, BTM, internet banking, mobile banking services, QR code, Eye-Id, earn credit by shaking your phone, blockchain, fintech, 5-G, fast-bay, voice response. etc. services are included. The use of these services offers various advantages to banks. However, these digital transformation services, which have advantages as well as disadvantages, require both bank transactions and customer, bank employees, etc. It is seen that it also has effects on the issues.

In this context, the aim of this study is to determine the advantages and disadvantages of the digital transformation services used by banks to the sector and to reveal whether they have any impact on productivity.

As a result of the research, 6 of the participants were women and 15 were men; Considering the working bank status, 9 people work in Public Banks; It is seen that 12 people work in Private Banks.

It was observed that 21 of the participants responded positively to the question asked about their opinions about the advantages of digital transformation in banks. It was determined that the most common answers included advantages such as cost, time, sustainable environment, customer and bank transactions. When we look at the answers given to the research question created to determine whether digital banking has disadvantages in the banking sector, 12 participants say that digital transformation does not have disadvantages in the banking sector; It was revealed that 9 participants had thoughts that they had disadvantages. When we look at the answers of those who think that it has disadvantages, it is seen that their opinions are mostly expressed on issues such as security, unemployment, bank transactions and customers.

In addition to the advantages and disadvantages conveyed by the participants, research questions were created and asked to the participants about whether these elements had any effects on productivity. According to participant responses; The advantages have effects on productivity and show their effects mostly on bank employees, customers and bank transactions. Participants who thought that disadvantages had an impact on productivity were asked for their opinions, and the answers given included situations such as customer loss, employment-related problems causing anxiety among bank employees, security problems and a competitive environment.

As a result, some situations that sometimes provide convenience, sometimes cause various problems. In this context, it has been revealed as a result of the study that digital transformation in the banking sector has both benefits and some disadvantages. Researchers who will study this subject include bank employees in different regions in their research; They can direct their studies by using different samples and analysis methods (quantitative data methods, etc.).

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