

Employees Awareness on Green Banking Initiatives in Private Sector Banks - With Reference to Chennai District

Nuzhath Fathima¹, Dr. Uma Raman.M²

¹Research Scholar, Department of Management Studies, St. Peter's Institute of Higher Education and Research Chennai-54,

²Professor, Head, Department of Management Studies, Rajalakshmi Engineering College and Research Supervisor St.Peter's Institute of Higher Education and Research

Abstract

In the current scenario banking sector plays a vital role in a human life. People are using online banking and mobile banking also known as green banking to carry on their day to day work easily and at a faster way. This helps to save the resources of the bank in an effective and efficient way. The concept of Green Banking helps to create a cleaner and greener future as green banking has a direct impact on environment. This study has been made to study the level of employee awareness regarding "Green Banking Services" initiative taken by various private sector banks in India, Chennai district to help the customers carry their work in a peaceful way..

Received: 20 Dec 2024

Revised: 14 Jan 2024

Accepted: 12 Feb 2025

Published: 27 Feb 2025

Keywords: Online banking, Mobile banking, Green Banking, Green Future, Green Banking Services



© 2025 by the authors; licensee Advances in Consumer Research. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC-BYNC.ND) license (<http://creativecommons.org/licenses/by/4.0/>).

INTRODUCTION

Green banking means to promote environmental friendly practices and to reduce the carbon footprint from banking operations. The banking industry influences economic growth and development, both in terms of quality and quantity which helps to change in the nature of economic growth. Therefore, banking sector plays a vital role in promoting green banking initiatives among the employees of private sector banks for a better environment. Banks use green banking as an opportunity to gain advantage by creating a difference in their strategy making process. It was been observed that green banking consciousness is very high in the top level management and it reduces in the lower level management and least with the employees who are in day to day touch with the customers. It is the responsibility of the bank to focus on the least level employee's consciousness towards green banking to conserve, preserve and protect the resources available. Green banking help in reduction usage of papers and optimum use of electronic transactions like ATM, internet banking, mobile banking, online banking and other banking transactions. With the green banking initiatives the natural resources and the environment are protected to a greater extent. Green banking also provides convenience banking from where they are.

GREEN BANKING:

Banking plays a role of intermediary in the monetary transactions of individuals. It also helps in economic development and environmental protection by promoting the Eco friendly and sustainable investment in the society. The banking of this character is termed as

Green Banking. The problem of climate change has badly affected the living being of the ecosystem that is why urgency has arisen to promote sustainable approaches in the society. Green Banks are mission-driven institutions that use innovative financing to accelerate the transition to clean energy and fight climate change. Green banking is a category of banking practices considering all the social and ecological factors with an aim to defend the environment and preserve natural resources. It is also called as ethical banking or sustainable banking. Green banks give more importance to environmentally friendly factors like ecological gains, Generate Clean and hygienic environmental conservation and protection of ecological balance and Online account opening form for opening green account.

LITERATURE REVIEW

Krebsbach (2005) stated that banks which adopted socially and environmentally responsible lending and investing were altering their processes of bond underwriting, investment banking and corporate lending. These banks were enjoying a competitive advantage over others as society is aware about the environmental issues. The author suggested that banks should adopt the green lending principles in such a way that a customer base will not be affected. The author said credibility comes from having high standards. He concluded that environmental management in the banking sector is like risk management because it reduces the credit risk, improves the asset quality and increases the enterprise value.

Dileep G. Menon et.al, (2017) studied the development of several green initiatives in banking sector with key focus on Indian banking industry. It was observed that Green Banking practice helps the banks for creating cost efficient automated channels to build consciousness and awareness among the customers, business organizations and other financial institutions and also observed that Banks have introduced green credit cards, green mortgages as part of the green projects as well as Corporate Social responsibility actions, many banks have also taken initiatives to create awareness among the business and the public as well as states about the significance of the going green policy.

Santosh Raj, Danie (2014) defined the importance of green banking and its patterns in the executives for the supportable advancement. It was identified that individuals have turned out of their activities and ensuring normal assets, so that contribute most extreme in sparing a domain. In the variety of authorizing individuals towards security, the job of green showcasing is tremendous. It spread vital role to the common population and in a similar arrangement; banks have furthermore driven activities identified with green practices.

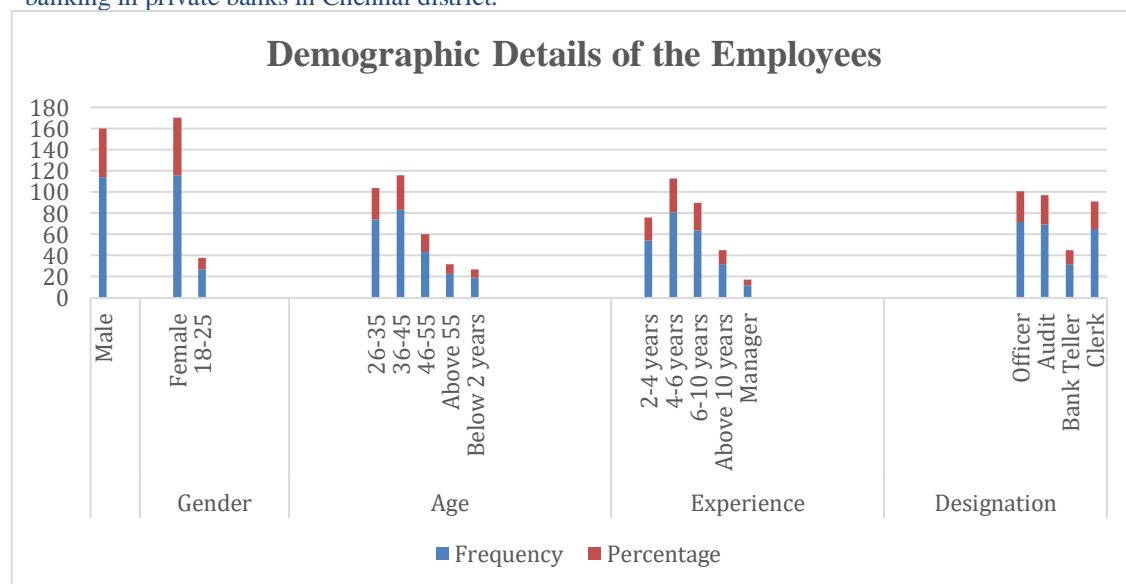
OBJECTIVES OF THE STUDY:

- To study the initiatives of green banking in Chennai district.
- To measure the employees awareness of green banking in private banks in Chennai district.

- To examine the problems faced by the bank employees after the implementation of green practices in the banking sector.

STATISTICAL TOOLS:

Demographic factors		Frequency	Percentage
Gender	Male	114	46
	Female	136	54
Age	18-25	27	11
	26-35	74	30
	36-45	83	33
	46-55	43	17
	Above 55	23	9
Experience	Below 2 years	19	8
	2-4 years	54	22
	4-6 years	81	32
	6-10 years	64	26
	Above 10 years	32	13
Designation	Manager	12	5
	Officer	72	29
	Audit	69	28
	Bank Teller	32	13
	Clerk	65	26



Inference: From the above table it is clearly known that 46% are male and 54% are female. The highest percentage 33% of employees are between the age group of 36-45, 32% of employees have 4 to 6 years of experience and 29% of employees are in the officer grade.

MEASURES OF EMPLOYEES AWARENESS TOWARDS GREEN BANKING

S.No	Factors	Mean	Standard Deviation
------	---------	------	--------------------

1	Green loans for home improvements	2.78	2.56
2	Power savings equipment	3.53	3.31
3	Green credit cards.	3.14	2.9
4	Solar and wind energy	3.18	2.9
5	Mobile banking	2.98	2.81

SPEARMANS RANK CORRELATION

Objective: To measure the employee’s awareness of Green Banking in Private Sector Banks.

Response on the opinion regarding the Green Banking techniques adopted in the organization

Particulars	No of respondents	Rank (X)
Training- new techniques	62	1
Time Management	35	5
Motivation-financial& non-financial	48	4
Work-life balance	49	3
Relaxation technique	56	2

Response on the frequency of Green Banking initiatives and willingness to attend by the Employees

Particulars	No of Respondents	Rank (Y)
Annually	113	1
Half-yearly	39	3
Quarterly	68	2
Monthly	19	4
Weekly	11	5

Response on the benefit of attending Green Banking programs by the Employees

Particulars	No of Respondents	Rank (Z)
Performance increases	51	3
Reduces the workplace conflicts	68	1
Reduces Absenteeism	54	2
Improves Productivity	32	5
Decreases the unethical issues	45	4

X	Y	Z	dx y	Dy z	dz x	(dxy) 2	(dyz) 2	(dxz) 2
1	1	3	0	-2	2	0	4	4
5	3	1	2	2	-4	4	4	16
4	2	2	2	0	-2	4	0	4
3	4	5	-1	-1	2	1	1	4
2	5	4	-3	1	2	9	1	4
Total						18	10	32

Spearman’s rank correlation Co-efficient = $1 - \frac{6\sum D^2}{n(n^2-1)}$

$n(n^2-1)$
 $dxy=18, dyz=10, dxz=32$
 $R_{xy} = 1 - \frac{6\sum dxy^2}{n(n^2-1)}$
 $1 - \frac{6*18}{5(25-1)}$
 $1 - \frac{108}{120}$
 $1 - 0.9$
 0.1

$R_{yz} = 1 - \frac{6\sum dyz^2}{n(n^2-1)}$
 $1 - \frac{6*10}{5(25-1)}$
 $1 - \frac{60}{120}$
 $1 - 0.5$
 0.5
 $R_{zx} = 1 - \frac{6\sum dzx^2}{n(n^2-1)}$
 $1 - \frac{6*32}{5(25-1)}$
 $1 - \frac{192}{120}$
 $1 - 1.6$
 -0.6

Interpretation: Since the rank correlation coefficient between x and y is positive and z is negative, There is a relation existing between the Green Banking techniques adopted by the banks and the willingness to attend the programs.

4. Chi-Square Hypothesis testing

H1: Communication System has a great impact on Green Banking with the age of the employees

H2: Industrial Policy has a great impact on Green Banking with the age of the employees

H3: Healthy Competition has a great impact on Green Banking with the age of the employees.

RESULTS

Hypothesis-1: The table value of chi-square tends to be 21.026 at 5% level of significance. The table value is 21.026 and is lesser than the calculated value 123.91. So Accept Null Hypothesis and reject Alternative hypothesis. So there is no significant relationship between the communication system and green banking with regards to the age of the Employees.

Hypothesis-2: The table value of chi-square tends to be 21.026 at 5% level of significance. The table value is 21.026 and is lesser than the calculated value 137.35. So Accept Null Hypothesis and reject Alternative hypothesis. So there is no significant relationship between the Industrial Policy and green banking with regards to the age of the Employees.

Hypothesis-3: The table value of chi-square tends to be 21.026 at 5% level of significance. The table value is 21.026 and is lesser than the calculated value 73.4. So Accept Null Hypothesis and reject Alternative hypothesis. So there is no significant relationship between the healthy competition and green banking with regards to the age of the Employees.

5. F-Test

Relationship between the Ages of the employees with regards to green banking.

Result: When calculated value is 0 and the table value is 5.32. Calculated value is lesser than the table value. So Accept Null Hypothesis. So there is no significant difference between the Ages of the employees with regards to the Green Banking and employees’ awareness.

FINDINGS:

1. It is found that 46% of them are female respondents and 54% of them are male respondents, which shows that both the gender are more likely to be equal in ratio.
2. The power savings equipment has the highest mean of 3.53 and the highest standard deviation of 3.31.
3. It is found that, in the response on the opinion regarding the Green Banking techniques adopted in the organization, training new techniques ranks the first and time management ranks the last.
4. It is found that, in the response on the frequency of Green Banking initiatives and willingness to attend by the Employees, annually ranks the first and weekly ranks the last.
5. It is found that, in the response on the benefit of attending Green Banking programs by the Employees, reduces the workplace conflict ranks first and decreases the productivity ranks last.
6. It is found that rank correlation coefficient between x and y is positive and z is negative, so there is a relation existing between the Green Banking techniques adopted by the banks and the willingness to attend the programs.

SUGGESTIONS:

1. Respondents are limited to 250 employees.
2. Since the study is limited to Chennai district we cannot take the conclusion given by the respondents in this study as final. It may change according to the respondents.
3. The private sector banks should publish independent Green Annual Report. The RBI should remind the responsibility of all the private banks to protect the environment and explain how various measures under green banking can help protect the environment. The Reserve Bank of India should recognize and reward the banks which are environmentally cognizant providers of green loans on an annual basis.
4. Green rating agencies should be set up to, provide green analysis. This will motivate the select private banks to be more conscious as they will have direct impact on their performance evaluation.
5. In city like Chennai where there is heavy competition among the private banks there should be more consciousness regarding Green Banking to compete with others.
6. Proper training methods should be provided for the fresher's to understand the Green banking technically.
7. Continuous up gradation of technology education with digital practices should be given to the employees.

CONCLUSION

Hence it has been concluded that the green banking techniques adopted by the private sector banks and the employees working there have the willingness to attend the programs to increase their technical knowledge in the present environment.

REFERENCES

1. Dr.C.Vijai A Study on Customer's Awareness on Green Banking Initiatives in Selected Public and Private Sector Banks with Special Reference To Cuddalore District , Vol. 7 , Issue 11 , November 2018, ISSN (Online): 2319-8753, ISSN (Print): 2347-6710
2. Firdaus, M., & Udin, Z. M. Green Human Resource Management (GHRM) Towards SME's: A Conceptual View.
3. Jabbar, M. H., & Abid, M.: GHRM: Motivating Employees towards Organizational Environmental Performance. *Magnt. Res. Rep.*, 2, 267-278. (2014).
4. Sayed, S: Green HRM-A Tool of Sustainable Development. *Indian Journal of Applied Research*, 5(6). (2016).