



EMPLOYEES' PERCEPTION TOWARDS GREEN BANKING: A STUDY ON COMMERCIAL BANKS IN KERALA

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ABSTRACT

Environment protection is one of the significant duties of every citizen in the world to conserve natural resources and the existing natural environment to repair the damage to the environment. Nowadays, Banking industries have implemented various green initiatives to protect the environment and conserve the world's natural resources. Employees are the key people who contribute to the success of every business. Employees play a crucial role in conducting green banking activities in the banking sector. Hence, it is essential to study the employee's perception towards green initiatives in the banking sector. Commercial banks in Kerala have initiated several green banking activities for protecting the environment. For this study, the samples are selected from employees of Commercial banks in Kerala. This paper tried to answer the question of whether the employees are aware of the banking sector's green initiatives and their perceptions regarding the same. It also focused on the various challenges faced by employees while implementing green initiatives in the banking sector.

Keywords: Green initiatives, Banking sector, Perception, Employees, Commercial Banks.

INTRODUCTION

Protecting our environment is everyone's duty to conserve natural resources and the existing natural environment. Every citizen of India has a fundamental duty to protect and improve the natural environment including forests, lakes, rivers, and wildlife and should have compassion for living creatures. The financial and economic position of India is far superior to most other countries in the world. The banking sector is one of the important financial sectors in the Indian economy. The banks have implemented a lot of green initiatives for protecting the environment and conserving natural resources.

Green banking was introduced in the year 2009 in the State of Florida. In India, SBI (state bank of India) being the largest commercial bank took a lead towards setting higher standards of sustainability and undertook the foremost step towards "green banking" initiative. Kerala's commercial banks have implemented numerous green initiatives to safeguard the environment. Employees are one of the most valuable assets of an organization and key to every business. This study titled "EMPLOYEES' PERCEPTION TOWARDS GREEN BANKING: A STUDY ON COMMERCIAL BANKS IN KERALA" tries to answer the questions of whether the employees are aware of green initiatives in commercial banks and what is their perception regarding various aspects of green banking. The various challenges faced by employees while implementing green initiatives are also addressed.

STATEMENT OF THE PROBLEM

Every industry has the responsibility to protect the environment and conserve the natural resources of the earth. The banking industry is one of the most essential parts of the economic system. As responsible financial organizations in our country, banks have to conduct financial transactions without adversely affecting the environment directly or indirectly. Hence, banks have implemented several green banking initiatives for environmental protection. Employees are the key personnel who



are executing these green banking initiatives in the banking sector. Green banking is a recent concept and bank employees are not familiar with the various green banking initiatives. If the employees have no awareness regarding green banking or their perception regarding green banking is negative, the introduction of green banking initiatives in the banking sector is inadequate. There are a lot of studies regarding various aspects of green banking. But a few researchers are addressed employees' perception towards green banking in commercial banks. Therefore, a study is necessary to understand the perception of employees towards various green banking initiatives in commercial banks.

OBJECTIVES OF THE STUDY

The study is conducted with the following objectives;

- To study the level of awareness of employees about green banking initiatives in commercial banks.
- To study the perception of employees towards green banking initiatives in commercial banks.
- To study the challenges faced by employees while implementing green banking financial products and services in commercial banks.

RESEARCH METHODOLOGY

The data for the proposed study has been collected from primary and secondary sources. The population of the study includes employees of commercial banks in Kerala. The sampling technique adopted for the study was convenience sampling and the sample size is 60. The data analysis was done through SPSS. The collected data were analyzed using simple statistical tools like a measure of central tendency, a measure of dispersion, a percentage analysis, and a bar diagram.

REVIEW OF LITERATURE

(Aazhvaar, 2015) The main objective of the study titled “Employees’ Perception towards In-House Green Banking Activities of the Commercial Banks in Cuddalore District” was to examine the employee’s perception of in-house green banking activities of the commercial banks and to suggest various measures to improve the scope of green banking of the selected commercial banks based on the findings of the study. The major finding of the study is that there is no significant relationship among the acceptance levels of the respondents of different genders, age groups, educational status groups, monthly salary groups, tenure of experience, place of work, bank belongs, and type of bank towards in-house green activities of the selected commercial banks.

(Sharma et al., 2016) The study titled “A Comparative Study on Green Initiatives Taken by Select Public and Private Sector Banks in Mumbai” provided existing works of literature about Green banking. This study was undertaken to know about such green initiatives taken by top leading selected Public and Private sector banks to help to promote those products, processes, and technology that substantially reduce the carbon footprint level from the environment. The comparison between selected public sector banks and private sector banks is also done by the researchers for this study. The researchers concluded that the selected Public sector banks are emphasizing more green banking initiatives than Private sector banks except for ICICI Bank.

DATA ANALYSIS

Table 1. Awareness of Employees about Green Banking

Particulars	Aware		Not Aware	
	No. of	Percentage	No. of	Percentage

	Respondents		Respondents	
Bank Environmental Policy	100	100	0	0
Green Channel Counter	54	90	6	10
Eco-friendly waste bins and water purifier	53	88.33	7	11.67
Self Service Kiosks	52	86.67	8	13.34
Green Power	47	78.33	13	21.67
Carbon Credit Plus	51	85	9	15
SBI Corbett	50	83.33	10	16.67
Green Remit Card	56	93.33	4	6.67

Source: Primary Data

Interpretation

The above table indicates that all of the respondents are aware of bank environmental policy, 93.33% have awareness regarding the green remit card while 90% of them have awareness about the green channel counter. 88.33% of respondents have an opinion that they are aware of eco-friendly waste bins and water purifiers, 86.67% have awareness about self-service kiosks and 85% are about carbon credit plus of SBI. 83.33% of respondents agree that they have awareness about SBI Corbett but 13% of respondents are not aware of green power.

Table 2. Perception of Employees towards Green Banking

Statements	Mean	Standard Deviation
Green Banking avoids paperwork to an optimum level	4.37	0.718
Commercial banks have carbon measurement software and helps to reduce carbon footprint level	3.00	1.017
Commercial banks can reduce overall costs through the introduction of green initiatives	3.90	1.155
Green Banking helps to reduce the workload of employees	3.83	0.950
The Commercial banks have initiated carpooling to reduce its carbon footprint	2.77	0.935
Commercial banks should take necessary steps to educate employees regarding energy conservation	3.37	1.003
Commercial banks should use energy-efficient equipment and pollution control equipment for environmental protection	3.80	0.997
Green Banking enhances the reputation and corporate image of commercial banks	3.93	0.868

Source: Primary Data

Interpretation

The above table indicates the perception of employees towards green banking. The respondents show a strong sense of agreement towards the fact that Green Banking avoids paperwork to an optimum level. The respondents show an agreement towards the fact that Green Banking enhances the reputation and corporate image of commercial banks, Commercial banks can reduce overall costs through the introduction of green initiatives, Green Banking helps to reduce the workload of employees and Commercial banks should use energy-efficient equipment and pollution control equipment for environmental protection. The respondents have a neutral opinion about, Commercial banks should take necessary steps to educate employees regarding energy conservation of energy, Commercial banks have carbon measurement software and helps to reduce carbon footprint levels and the commercial banks have initiated carpooling to reduce carbon footprint.

Table 3. Challenges Faced by Employees while Implementing Green Banking

Particulars	Mean	Rank
Reluctance from customers to adopt green products and services	2.13	2
Technical Issues	2.20	3
Increased number of cyber crimes	2.12	1
Increases the workload of employees	2.46	4
Lack of training programs	2.51	5

Source: Primary Data

Interpretation

Table 5 reveals the challenges faced by employees while implementing green banking. It is indicated that the increased number of cybercrimes is highly rated as its mean value is the lowest followed by reluctance from customers to adopt green products and services, technical issues, and increases in the workload of employees. The table shows the lack of training programs given the lowest rank. Thus, it is an indication that the increased number of cybercrimes is the major challenge faced by employees while implementing green banking in commercial banks.

FINDINGS OF THE STUDY

- All of the respondents are aware of the bank’s environmental policy.
- Majority of respondents have awareness regarding green remit cards and green channel counter.
- Some of the respondents are not aware of green power.
- The respondents show a strong sense of agreement towards the fact that Green Banking avoids paperwork to an optimum level.
- The respondents show an agreement towards the fact that Green Banking enhances the reputation and corporate image of commercial banks.
- The respondents have a neutral opinion about commercial banks have initiated carpooling to reduce carbon footprint.
- The increased number of cybercrimes is the major challenge faced by employees while implementing green banking.

CONCLUSION

Protecting our environment and conserving natural resources is the most important duty of every individual, firm, and industry. Commercial banks have undertaken a lot of green initiatives for environmental protection. These initiatives not only help the environment but also provides convenience to bank employees as well as customers. The present study was an attempt to understand the level of awareness and perception of employees toward green



initiatives in commercial banks. The challenges faced by employees while implementing green initiatives are also addressed. The study reveals that employees are aware of various green initiatives in commercial banks and their perception of green initiatives in commercial banks is positive. The major challenge faced by employees while implementing green initiatives in commercial banks is the increased number of cybercrimes.

SUGGESTIONS

- ❖ The commercial banks should improve the cyber security of both employees and customers for reducing cybercrimes.
- ❖ The commercial banks should take necessary steps for carbon footprint reduction by carpooling and energy consciousness.
- ❖ Commercial banks should conduct awareness programs for customers about the importance of green banking to avoid reluctance from customers in adopting green banking products and services.

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