

**REBOOTING BANKING POST COVID-19: A DESCRIPTIVE STUDY****A.P. Sawant and P.K. Mudalkar**

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**ABSTRACT**

*Banking in India plays a very important role in financial stability. Bank and Its subsidiaries are the frontrunners for the Indian economy. The scope of banking is changing day by day. In the 21st century, you do not need to visit the bank to open an account by seating at home, and one can do banking. That concept is popularised as Internet Banking. This research study emphasizes banks' challenges in the COVID19 Pandemic and how banks are getting ready Post COVID19. A survey of 20 Bank managers from Pune City was covered, and interpretation is revealed. Challenges like the risk of credit, crisis management, digital readiness, etc., were experienced by banks. Computerized banking fills in as the smartest option for banks to explore the emergency like COVID19. Banks should be more imaginative with computerized benefits more than any other time to minimize the challenges.*

**Keywords:** Banks; COVID19; Pandemic; Internet Banking; Digital Infrastructure

**I. Introduction**

Banking in India plays a very important role in financial stability. Bank and Its subsidiaries are the frontrunners for the Indian economy and its boosting. Banks are monetary go-betweens that issue stores and utilize the returns to buy protections. Banks have a major role in retail as well as corporate sales. Previously Banking was all about meeting the potential customer and accepting deposits and opening bank accounts but nowadays, banks not only focus on account opening and deposits, but it provides enormous services like insurance, bonds, mutual funds, share market credit card facilities, etc.

The scope of banking is changing day by day. In the 21st century, you do not need to visit the bank to open an account by seating at home one can do banking. That concept is popularised as Internet Banking.

Banking has reliably been significant information heightened activity that relies enthusiastically upon information development (IT) to get, measure, and pass on the information to each appropriate customer. Notwithstanding the way that it is essential in getting ready information, it gives a course to the banks to isolate their things and organizations. Banks find that they need to consistently progress and update to hold their mentioning and knowing customers and accommodate strong and helpful organizations.

Driven by the test to develop and get a greater financial market, a couple of banks put assets into more squares and mortar to broaden their land besides market consideration. Others have considered a more reformist approach to manage pass on their financial organizations by methods for another medium: the Internet.

With the quick and broad expansion in innovation, development, and broadcast communications, new circulation stations in the monetary area are coming up quickly, in numbers just as in structure, from ATMs, phone banking, with Internet Banking is one of the most recent in the chain of mechanical miracles. As per Accenture, Internet Banking was thought to flag a transformation in banking dispersion.

Banking over the Internet has expanded consideration from bankers and other monetary administrations industry members, the business press, controllers, and legislators in different nations. Among the explanations behind Internet banking's crowd is the idea that electronic banking will develop quickly, pretty much pair with multiplying electronic trade; industry projections that Internet banking will cut bank costs, helping in income development, and make banking more advantageous for clients.

Internet and Online banking allude to the Internet's utilization as a distant conveyance channel for banking administrations. Such administrations incorporate conventional ones,

for example, opening an account or all banking services.

In the year 2020, Pandemic has impacted all the business areas, including banking. Internet banking was there before 2020, and banks used it, but this study allows us to find the banking trends observed during the Pandemic and how banks can react on that trend to reboot themselves Post COVID19.

## II. Literature Review

Banks are all-time dynamic in nature when any natural or artificial issue comes in between. In 2020 when Pandemic has knocked on our door, banking has changed its face and system, and there is a large pool of people started asking about internet banking. But Are banks ready with infrastructure is the main question. The rise of Internet banking has incited numerous banks to reconsider their IT techniques to remain serious. IT was not actively part of banking in the 20th century, but the 21st century has evolved with banking IT. Clients today are requesting substantially more from banking administrations. They need new degrees of accommodation and adaptability (Birch and Young 1997; Lagoutte 1996) on high of amazing and modest to apply monetary management devices and items and administrations that customary retail banking could not offer. Overall, Internet and online banking have allowed banks to use the public network infrastructure (Ternullo 1997). Online and Internet banking facilities are significant for the long-term survival of banks in the world of electronic commerce (Burnham 1996).

COVID19 has impacted the banking industry. Banks' overall performance on value and obligation markets since the Covid-19 episode has been on a standard with that accomplished after Lehman Brothers' breakdown in 2008 (Iñaki Aldasoro & Ingo Fender & Bryan Hardy & Nikola Tarashev, 2020). The financial area will be under pressure because of significant degrees of credit misfortunes once enormous scope bankruptcies emerge among corporates and family units because of the worldwide monetary slump brought about by the Coronavirus emergency. This will occur regardless of how the area at first delighted in a positive force during the Pandemic, diverting the progression of credit and public assurance

advance projects to the economy and appreciating adaptability measures by controllers and bosses. Among numerous other significant issues, Focus has to be given much consideration to the advanced interruption, as one of the pre-emergency drifts that will be substantially more sped up after the Pandemic: "Digitalization will get a huge catalyst, with new banks entering into this challenge". The present circumstance gives numerous advantages and new dangers that will require administrative responses from Govt front and significantly will require a level battleground among officeholders and new contestants. Consumer Intentions are also changing as per the new change (Chua 1980).

There are many changes needed and accepted by moany bank manager to deal with perspective after COVID19. Banking Post COVID19 is a game-changer for most banks, which are ready with the best IT Infrastructure.

## III. Research Methodology

In this research, the 20 interviews were taken from bank managers of Private banks in the PCMC Area of Pune District and understood how they tackled the issues raised with COVID19 Pandemic and their plan to reboot the banking system Post COVID19.

Sample Size: 20 Bank Managers

Type of Banks: Private Banks (Top 10 Banks)

Location: PCMC Area

## IV. Banking Challenges in COVID19 and Post COVID19 Rebooting:

This section of the research paper depicts the interview outcome of a bank manager who has shared the challenges faced by banks in the COVID19 Pandemic and shared how banks can tackle the issue and minimize challenges Post COVID19 Era.

### A. Issues faced by Banks

a) *Risk of Credit*: There has been a surge in loan and obligation demands and restructuring during this period, especially from SMEs. Banks should re-examine their way of dealing with credit danger and credit scoring to adjust to the current circumstance setting and give remarkable degrees of liquidity to the market. In equal, controllers will likewise have to

loosen up a portion of the credit hazard mandates in any event in the short/mid-term.

*b) Managing Crisis:* Uncertainty in the COVID19 has always been a challenge to the banks. Banks faced many challenges in all types of risk management. The method of working and associating with clients and partners has changed, and banks especially light-footed to keep up and adjust to the "new normal."

As well as adjusting, in record time, banks faced difficulties on all fronts to the current circumstance. The employee and the IT front, Network issues, loans and deposition like product issues, etc.

*c) Must Have Factor:* Before the COVID19, a few experts inside the banking business imagined that development was decent to have, yet not a need. Coronavirus might be one of the most grounded impetuses for computerized banking business change since the web transformation. The development will be seen as an "absolute necessity have" across all monetary administration associations, and the past suspicion encompassing advancement and computerized change ventures will decrease.

Just like the case with most emergencies, while the current circumstance carries various difficulties to the bleeding edge, as depicted above, it likewise carries with it numerous chances and opportunities for banks.

Not only these challenges but challenges like working on the revised balance sheet, Customer Sensitivity analysis, Competition, Cost reduction, etc. were the foremost challenges faced by banks in COVID 19

### ***B. Post COVID19 Rebooting***

*a) DigitalInfrastructure:* Digital infrastructure is very important from the angle of the COVID19 era and its impact analysis. The conventional job of IT Infrastructure is, as a rule, quickly reshaped by the worldwide Digital Transformation of business. In the super-serious worldwide economy that presents limitless freedoms for disturbance and requests steady advancement, the requests set on IT are changing undeniably more quickly than many anticipated. Your business's accomplishment is presently controlled by a mix of client

experience, seriously engaging plans of action, and fast an ideal opportunity to-esteem. In this unique business climate, IT pioneers' assumptions present a chance that requests a major change on its part. Digital Infrastructure is characterized by attention to empowering business dexterity and controlling client encounters that drive client commitment and dependability. So Post COVID19 having the right kind of infrastructure will help deliver the best service to the customer

*b) Digital Customer:* Maintaining Digital customer will also help, and it will be the best comeback for the banks to retain in the market. During the current emergency, numerous clients have been connecting carefully with their bank for some of them; they are doing the first time. There is an enormous chance for banks to hold these computerized clients post the emergency, particularly SMEs and Retail. The administrations given by banks today will decide the level of clients that will not return to the customary actual channels when things in the long-run return to ordinary.

*c) Cost Restructuring and product offering:* Bank has to focus on restructuring the cost of all product offerings as, after the Pandemic, most of the banks will be very competitive in the offering. Cost of Product and Service have to be taken into consideration to minimize the competition. Also, the focus should be given on COVID19 Emergency product and service. Other than this, Keeping a presence on all digital channels, providing 24\*7 banking to the customer, Engagement with customers, Storytelling, etc.

### **V. Conclusion**

Banks being one of the main touchpoints and key fundamental help for billions of individuals worldwide needs to come out of the emergency of COVID19. Computerized banking fills in as the smartest option for banks to explore the emergency. Banks should be more imaginative with computerized benefits more than any other time. Remember that the world will return to typical one day. Up to that point, we need to remain advanced and stay safe.

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