**SYSTEMATIC REVIEW OF EMPLOYEE’S COMPETENCY IN THE LIGHT OF DIGITAL TRANSFORMATION WITH AI IN BANKING INDUSTRY AT VERITAS**

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**Abstract**

This systematic research advances our knowledge of how staff capability is changing in the banking sector as a result of digital transformation, especially with the use of AI. Through the identification of essential elements and emerging trends that impact competency development, this analysis offers valuable insights for scholars, policymakers, and practitioners attempting to navigate the changing banking workforce landscape in the digital age.

**Keywords:** Employee Competency , Integration Of AI

**INTRODUCTION**

Artificial intelligence (AI) and digital technology integration are driving a significant revolution in the banking sector. This change is revolutionising client experiences, increasing efficiency, and changing conventional banking processes. As banks depend more and more on AI to handle jobs like risk management and customer service, the skills needed by staff are changing quickly. It is crucial for organisations to be competitive as well as for people to understand these competencies if they are to succeed in this new environment. By combining the available studies, this systematic review seeks to investigate the skill needs of banking industry workers in the context of AI-driven digital transformation. The goal is to offer insightful information to policymakers, practitioners, and scholars alike. The use of AI by banks to streamline repetitive processes, customise offerings, and enhance decision-making is growing.

**OBJECTIVE**

1. To evaluate workers' present proficiency levels in the banking sector while incorporating AI-driven digital transformation projects.

2. To determine which particular knowledge and skill gaps have arisen among banking professionals as a result of the use of AI technologies.

3. To assess how well the current training and development initiatives are meeting the changing demands of staff members in the context of digital banking.

4. To investigate cutting-edge methods and industry best practices for improving staff proficiency in AI-related fields like automation, machine learning, and data analytics.

5. To assess the potential difficulties and impediments that staff members may encounter in adjusting to the changes brought about by the digital transformation and to suggest solutions for these problems

 **REVIEW OF LITERATURE**

**1.Is digital transformation threatened? A systematic literature review of the factors influencing firms’ digital transformation and internationalization by justin paul (2023)** -Internationalisation of businesses is greatly impacted by digital transformation. In order to assess the impact of digital transformation on the internationalisation process of enterprises, this study will conduct a systematic review of the literature covering the last 20 years, focusing on major problems pertaining to digital transformation at the person, firm, and macro (international) levels. We demonstrate the effects of the non-human (knowledge, leadership, digital servitization, technology) and human (soft side) aspects of the digital transformation that can either support or undermine it, as well as how they affect the internationalisation of businesses. Furthermore, our results demonstrate that company internationalisation can be impacted by digital transformation in both good and negative ways at the individual, firm, and macro levels.

**2.Artificial Intelligence and Business Strategy towards Digital Transformation: A Research Agenda by Fotis kitsios (2021)-** Over the last 10 years, corporations and contemporary literature have brought attention to Artificial Intelligence (AI) capabilities, namely the advancements in machine learning approaches. However, even if AI technology has a lot of promise to solve problems, there are still issues with its practical use and a lack of knowledge on how to use it strategically to generate commercial value. The purpose of this study is to conduct a thorough literature analysis of the convergence of corporate strategy and artificial intelligence, and to construct a theoretical model that takes into account issues based on current research in this area. On the basis of Webster and Watson's (2002) study methodology, 81 peer-reviewed articles were discussed. A theoretical model is built that discusses the four sources of value generation, along with areas that require further research. AI

**3.Artificial intelligence in customer-facing financial services: a systematic literature review and agenda for future research by Arvid Hoffmann (2021)-** The purpose of this study is to present a thorough analysis of the literature on artificial intelligence (AI) in customer-facing financial services. In addition, it seeks to point out gaps in the literature, offer a thorough schedule for upcoming studies, and give a summary of the settings and areas of study that have been investigated.

**4.A Systematic Review of the Literature on Digital Transformation: Insights and Implications for Strategy and Organizational Change by David marz (2020)-** In order to define the boundaries for further research into the phenomena of digital transformation (DT) from the standpoint of organisational change, we have conducted a thorough evaluation of the large, varied, and dispersed body of literature on the subject. We provide a multi-dimensional framework synthesising the current understanding of DT based on 279 articles, and we identify two key thematic patterns: Digital Transformation (DT) is pushing companies towards flexible organisational structures that facilitate ongoing adaptation. DT is both a product of and a driver of digital business ecosystems. These two trends lead us to four different ways of looking at the phenomena of digital transformation: the effect of technology, compartmentalised adaptation, systemic upheaval, and holistic co-evolution. When we compare our results and interpretations to previous research, we discover that the nature of DT is only partially addressed.

**RESEARCH METHODOLOGY**

This systematic review uses a strictmethodology to examine the body of research on workers' competency in the banking sector throughout AI's digital revolution. To find pertinent papers, a comprehensive search of academic journals and databases is conducted first. After that, these papers are evaluated for eligibility according to preset standards, guaranteeing the inclusion of excellent research that is in line with the goals of the review. Data extraction is the methodical process of obtaining important data from chosen studies, and quality evaluation guarantees the reliability and validity of the results. Finding recurring themes, patterns, and trends in the literature is made possible by synthesising and evaluating the material that was gathered. After then, the combined results are analysed in relation to the study questions, providing insights into the skills needed for workers to succeed in

**DATA ANALYSIS AND INTERPRETATION**

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| --- |
| **Descriptives** |
| How many years of experience you have ? |
|  | N | Mean | Std. Deviation | Std. Error | 95% Confidence Interval for Mean | Minimum | Maximum | Between- Component Variance |
| Lower Bound | Upper Bound |
| 1 | 55 | 1.49 | .791 | .107 | 1.28 | 1.70 | 1 | 4 |  |
| 2 | 45 | 1.49 | .843 | .126 | 1.24 | 1.74 | 1 | 4 |  |
| Total | 100 | 1.49 | .810 | .081 | 1.33 | 1.65 | 1 | 4 |  |
| Model | Fixed Effects |  |  | .814 | .081 | 1.33 | 1.65 |  |  |  |
| Random Effects |  |  |  | .081a | .46a | 2.52a |  |  | -.013 |
| a. Warning: Between-component variance is negative. It was replaced by 0.0 in computing this random effects measure. |

|  |
| --- |
| **ANOVA** |
| How many years of experience you have ? |
|  | Sum of Squares | df | Mean Square | F | Sig. |
| Between Groups | .000 | 1 | .000 | .000 | .990 |
| Within Groups | 64.990 | 98 | .663 |  |  |
| Total | 64.990 | 99 |  |  |  |

INTERPRETATION:

The provided ANOVA table presents the analysis of variance for a dataset with one group factor. The "Between Groups" analysis reveals minimal variability (Sum of Squares = 0.000) among the groups, as indicated by the low F-value (0.000) and a non-significant p-value (0.990). Conversely, within-group variability is higher (Sum of Squares = 64.990), suggesting most of the variability lies within individual groups. Overall, the analysis does not detect significant differences between the groups based on the given data.

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| --- |
| **Correlations** |
|  |  Employees are familiar with key performance indicators (KPIs) related to AI adoption and effectiveness in banking |  Employees engage in cross-functional teamwork to align AI initiatives with organizational goals and strategies |
|  Employees are familiar with key performance indicators (KPIs) related to AI adoption and effectiveness in banking | Pearson Correlation | 1 | .159 |
| Sig. (2-tailed) |  | .110 |
| N | 102 | 102 |
|  Employees engage in cross-functional teamwork to align AI initiatives with organizational goals and strategies | Pearson Correlation | .159 | 1 |
| Sig. (2-tailed) | .110 |  |
| N | 102 | 102 |

**INTERPRETATION**

The correlation analysis examines the relationship between employees' familiarity with AI-related key performance indicators (KPIs) in banking and their engagement in cross-functional teamwork to align AI initiatives with organizational goals and strategies. The correlation coefficient between these two variables is 0.159, indicating a positive but weak relationship. However, with a p-value of 0.110, this correlation is not statistically significant at the conventional significance level of 0.05.

**CONCLUSION**

The investigations that were done provided insight into a number of areas related to the banking industry, including variance analysis, correlation, and chi-square testing. ANOVA tests showed limited variability between groups, indicating that there were no significant differences based on the data presented. However, correlations suggested weak associations between factors, such as engagement in cross-functional teamwork and familiarity with AI-related KPIs. Furthermore, noteworthy associations were observed with digital transformation, AI adoption, and enhanced employee proficiency, highlighting the significance of ethical deliberations in AI application. The results of the chi-square tests, however, did not show any significant relationships between these variables, indicating the need for additional research using bigger sample sizes or different techniques. Together, these results show how complicated the variables affecting banking operations are, emphasising the necessity.

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