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## **Determinants of Banking Habit of Urban People: A Study of Narayan Nagarpalika, Dailekh**

**Ramesh Prasad Gautam (MPhil)**

Graduate School of Management, Mid-West University, Surkhet, Nepal

Email: [ramesh.gautam@mu.edu.np](mailto:ramesh.gautam@mu.edu.np)

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### **Abstract**

The banking industry has grown tremendously in volume and complexity in the last few decades. The banking habit rate in a country is an important indicator of growth in the economy. The purpose of this study is to find out the determinants of the banking habits of urban people. The study was conducted in Narayan Municipality, Dailekh. The data have been collected through a well-structured questionnaire from customers of different banks in the private and government sector. I selected a sample of 177 respondents from the population for the collection of data and to check the response of different customers. Descriptive and regression are utilized to see the cause-and-effect behaviour. The findings of the study indicate that availability and security play a significant role in the banking habit of urban people. This may help to identify the bottlenecks in the effective banking practices deployment in the urban areas.

**Keywords:** Availability, convenience, security, banking habit

### **Introduction**

The foundation of every economy is banking activities. Not just in major cities, but also in smaller towns and rural regions, the number of bank branches has grown substantially. Some ways to break down people's banking habits include looking at how often they visit the bank, the number of transactions in their accounts, the kind of accounts they have, the services they use (such as ATMs), the amount of credit or loans they take out, the amount they deposit or save, and so on (Sanghvi et al., 2017). According to research by P and Vijaya (2014), who looked at the level of financial awareness and inclusion among respondents, most people liked



savings accounts because of how easy they were to create and how convenient they were. Most Americans have embraced the convenience of online banking, but many Chinese clients are wary of the technology. Reason being, Chinese consumers have been scared off from using E-banking due to several issues, including security concerns, fraud, theft, and computer illiteracy. Traditional paper checks are still used by many Chinese consumers. The purchasing and selling of things, the payment of bills, the transfer of cash, and the management of investments are all examples of E-banking operations (Qiu, 2008). From economic theory and results from research, the drivers of household savings have been demonstrated to include income level, age distribution, sex, family size, marital status, occupation, educational level, and dependence ratio, among a few others. Many researchers often utilize these factors when they simulate people's saving habits (Anang et al., 2015). Banking channels, computerized transactions, and a plethora of other financial items allow contemporary civilizations to function at varying degrees of financial integration. There is a great deal of variation in people's banking habits and, maybe, in the degree to which the economy is integrated financially since people's sociocultural structures are various (Roy & Sapre, 2016). For the purpose of making a consequent economic choice people need to be accoutered with well-founded economic literacy and behavior (Tóth et al., 2020). The adoption of banking habit among rural individuals has begun to increase, although it has not yet reached the necessary level (Jayaprakash, 2020). The provision of basic financial services to everybody decreases poverty and allows them to better their living situations. Access to financial services enhances the position of the rural poor and contributes to inclusive development (Karanth, 2018). The bank should prioritize its efforts in mobilizing deposits, recognizing that deposit mobilization is crucial for its ongoing survival (Khadse, 2019).

Hence, the banking industry is experiencing significant growth in the states, while the urban sector remains largely unexplored in terms of both savings and investment opportunities. It is important to ascertain the degree of knowledge about banking and its services, identify the causes for low utilization of banking services, and gather recommendations to enhance the use patterns of banking services among the urban population.

The general objective of this study is to examine the banking habit of urban people of Narayan Municipality, Dailekh. More specifically, the present study aims to

1. analyze the availability of banking services on banking habit of urban people.
2. examine the impact of convenience of banking service on banking habit of the urban people.

3. identify the impact of security of banking transactions on banking habit of urban people.

Considering a set of working hypotheses to empirically test and confirm the statistical significance of relationships among different constructs of the study, the following alternative hypotheses have been considered in this study:

$H_{A1}$ : Availability of banking service has significant effect on banking habit of urban people.

$H_{A2}$ : Convenience of banking service has significant effect on banking habit of urban people.

$H_{A3}$ : Financial security of transaction has significant effect on banking habit of urban people.

### **Literature Review**

Machova and Zsigmond (2023) have undertaken study to access the banking habits of Hungarian women. The investigation was done during a period of economic problems. Firstly, COVID-19 affected the economic behavior of people. After that, due to the Russo-Ukrainian conflict and its effects, people have been even more careful in the realm of money. Questionnaire study was undertaken (n = 437). Frequencies were employed to examine the survey data. According to the statistics, the bulk of the respondents established their first bank account more than five years ago and were inspired by the workplace and family members. Most Hungarian women spend more than 160,000 HUF using their cards in a month. The number of women holding investments at their bank is extremely low.

Terry (2018) has explored the impact of 18th-century financial upheaval, particularly credit development, on literary culture. Despite the development of personal banking, it has been overlooked by literary historians. The Bank of England's foundation in 1694 led to a more sustainable public credit system, expanding stock ownership opportunities in commerce and insurance industries. The article provides insight into how 18th-century authors used bank services and engaged in financial agreements outside the banking system.

The study analyzes the changing saving and spending habits of college students due to internet banking. A survey of 50 respondents was conducted, focusing on their profile, saving and spending patterns, and their status. Results were analyzed using statistical tools like percent, mean, and rank. Results showed that most college students prefer bank accounts for savings and use online banking apps for daily

transactions. The study found that saving is less important than spending, indicating that internet banking has a significant impact on college students' financial decisions (V., 2019).

Birari and Patil (2016) have conducted study on spending and saving behaviors among junior college, graduate, and post-graduation students in Aurangabad, Maharashtra, found significant disparities in expenditure across various education levels and genders. Both male and female adolescents have diverse spending behaviors, with a small commonality. To change their spending habits, teenagers should save and invest more in term deposits, mutual funds, and gold.

The study aimed to explore the saving and investing habits of women in rural areas, focusing on factors affecting their behavior. Data was collected through a questionnaire and chi-square test, with a sample size of 75. The findings suggest that women in rural areas can support their families by increasing their financial resources and reducing stress. Illiterate and non-working women also show saving tendencies, investing in SHGs, Pigmy, and banks. The research suggests that investing for greater returns can help combat inflation and provide financial security. With increased literacy and employment among women, they are now earning more and saving more (Maiya, 2020).

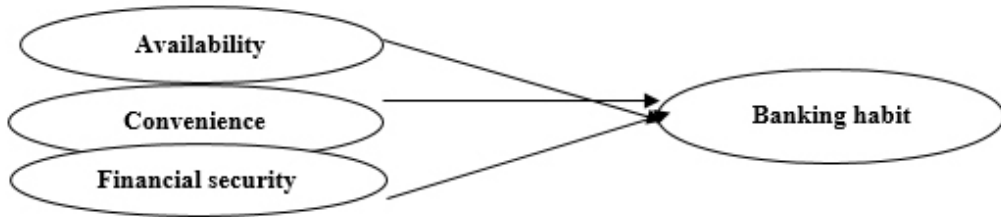
This research tries to discover significant drivers of bank choosing choices by Sudanese clients. Data were acquired from 253 clients in Khartoum State using self-administered questionnaires. The researcher employed mean analysis and exploratory factor analysis to identify the most relevant drivers of bank choosing. The findings indicated corporal efficiency as the most critical variable, followed by bank marketing activities, convenience, and service delivery (Mansour, 2019).

### **Conceptual Framework**

This study focused on the banking habit of urban people and its determinants. For this purpose, the following determinants have been selected through the literature review: Level of awareness on various banking services, motivational factors to use banking services, security of banking deposit system that motivates to use banking system, convenience of banking services, involvement in economic activities of urban people and available of banking services have been taken as an independent variables and banking habit has been taken as a dependent variable. The relationship between independent and dependent variable has been given below.

**Figure 1**

*Conceptual Framework*



**Methods and Procedures**

Primary data were used in this study. This study is grounded in positivist philosophy and employs quantitative research methodology. The study was conducted in Narayan Municipality, Dailekh. Most of the hilly area of Nepal are characterized the large geographical area and low density of population. Due to this reason the number of banking institutions are not available in the easy access of all public. The study’s participants were urban people who had bank accounts. The convenience sample method was employed to gather 177 responses from a survey questionnaire. A five-point Likert scale was used, with 1 representing a very low response and 5 a very high response. Frequency, percentage, and regression analyses were performed on the data.

**Results and Discussion**

**Demographic Profile of the Respondents**

Respondents were asked in the structured questionnaire form concerning their demographic characteristics, such as gender status, age status, educational level, profession of the respondent, purpose of visiting of bank, obtained of banking information, and mostly used banking services, in their organization. This section of the presentation has included an overview focused on frequency analysis of the demographic profiles of respondents.

**Table 1**

*Demographic Profile of the Respondents*

SN	Demographic Variables	Category	Frequency	Percentage	Cumulative Percent
1	Gender Status	Male	97	54.8	54.8
		Female	80	45.2	100
2	Age Status	Upto 30 Years	95	53.7	53.7

		31 - 40 years	46	26.0	79.7
		41 - 50 Years	23	13.0	92.7
		51 years and above	13	7.3	100.0
3	Educational Level	Upto SLC/SEE	46	26.0	26.0
		Secondary Level	83	46.9	72.9
		Bachelor Level	34	19.2	92.1
		Master and Above Level	14	7.9	100.0
4	Profession of the respondent	Student	52	29.4	29.4
		Farmer	34	19.2	48.6
		Business person	27	15.3	63.8
		Teacher	64	36.2	100
5	Purpose of visiting of bank	Deposit Amount	29	16.4	16.4
		Loan	16	9.0	25.4
		Withdraw	19	10.7	36.2
		ATM	22	12.4	48.6
		All	91	51.4	100
6	Necessary of banking service	Vey necessary	50	28	28
		Necessary	124	70	98
		Not necessary	3	2	100
7	Obtained of banking information	Friends	43	24.3	24.3
		Relatives	23	13	37.3
		Neighbour	15	8.5	45.8
		Bank Staff	96	54.2	100.0
8	Mostly used banking services	Deposit	45	25.4	25.4
		Money Transfer	36	20.30	45.8
		For Loan	22	12.4	58.2
		ATM	65	36.7	94.9
		Payment of loan	9	5.1	100.0

Source: Field Survey 2023

The demographic profile of the respondents revealed that there were more men (54.8%) than women (45.2%) who participated in the survey. Similarly, out of the total respondents, 53.7 percent were under the age of 30, 26% were between the ages of 31 and 40, 13 percent were between the ages of 41 and 50, and the final 7.3 percent belonged to the age group of 51 and above. When comparing respondents' educational levels, Secondary Level or Plus 2 made up the majority of respondents (46.9%). According to their profession, the majority of respondents (36.2%) were employees, followed by students (29.4%). Most respondents (70%) believe that banking services are necessary; individuals visit banks to deposit money, withdraw money, and use ATMs; and the majority of respondents (54.2%) get their banking information from banking staffs.

### Analysis of Data

This section of analysis covers the analysis of the relationship between the independent and dependent variable using the measuring tools i.e., the descriptive analysis and the inferential analysis based on the responses of respondents.

### Descriptive Analysis of Selected Constructs

This analysis has been done based on the constructs developed in the conceptual framework of the study to assess the mean score of the level of agreement of the respondents in terms of their items.

### Availability

**Table 2**

*Descriptive Analysis of Availability*

SN	Statement	Frequency (Percentage)					N	Mean	SD
		SA	A	N	D	SD			
1	Access of banking services at local Level	79 (44.6)	75 (42.4)	10 (5.6)	10 (5.6)	3 (1.7)	177 (100)	1.77	0.914
2	Availability of quality of banking services	40 (22.6)	89 (50.3)	32 (18.1)	13 (7.3)	3 (1.7)	177 (100)	2.15	0.914
3	Sufficient time available for banking transaction	44 (24.9)	73 (41.2)	44 (24.9)	14 (7.9)	2 (1.1)	177 (100)	2.19	0.940
4	Available of all modern banking facility and services	46 (26.0)	87 (49.2)	25 (14.1)	15 (8.5)	4 (2.3)	177 (100)	2.12	0.967
5	Available of quality services at affordable cost	39 (22.0)	85 (48.0)	27 (15.3)	11 (6.2)	15 (8.5)	177 (100)	2.31	1.138

*Note: Figures in parenthesis are in percentage*

*Source: Field Survey 2023*

Table 2 the results show that out of the total, 87 percent of respondents who agreed that the access of banking services at local level can affect the level of banking habit, 44.6 percent respondents strongly agreed and 42.4 percent respondents agreed whereas, 5.6 percent disagree and 1.7 percent respondents strongly disagreed on the statement. It is also evident that large percent 5.6 respondents remained undecided.

It is observed that out of the total, 72.9 percent of respondents who agreed that the availability of quality of banking services can affect the level of banking habit, 22.6 percent respondents strongly agreed and 50.3 percent respondents agreed whereas, 7.3 percent respondents disagreed representing and 1.7 percent of the respondents were strongly disagreed on the statement. It is also evident that 18.1 percent respondents remained undecided.

It is revealed that out of the total, 66.1 percent of respondents who agreed that the sufficient time available for banking transaction can affect the level of banking habit, 24.9 percent respondents strongly agreed and 41.2 percent respondents agreed whereas, 7.9 of the respondents disagreed and 1.1 percent respondents strongly disagreed on the statement. It is also evident that 24.9 percent respondents remained undecided.

It is revealed that out of the total, 75.2 percent of respondents who agreed that available of all modern banking facility and services can affect the level of banking habit, 26 percent respondents strongly agreed and 49.2 percent respondents agreed whereas, 8.5 of the respondents disagreed and 2.3 percent respondents strongly disagreed on the statement. It is also evident that 14.1 percent respondents remained undecided.

It is revealed that out of the total, 70 percent of respondents who agreed that the available of quality services at affordable cost can affect the level of banking habit. 22 percent respondents strongly agreed and 48 percent respondents agreed whereas, 6.2 of the respondents disagreed and 8.5 percent respondents strongly disagreed on the statement. It is also evident that 15.3 percent respondents remained undecided.

Table 2 displays the mean value of availability items, with an average mean value of 3. The results indicate a strong influence of each item on motivation, with a standard deviation ranging from 0.914 to 1.138.



## Convenience

**Table 3**

*Descriptive Analysis of Convenience*

SN	Statement	Frequency (Percentage)					N	Mean	SD
		SA	A	N	D	SD			
1	Easy access to get banking transaction	85 (48.0)	81 (45.8)	8 (4.5)	2 (1.1)	1 (0.6)	177 (100)	1.60	0.684
2	Settlement of transaction in short time	39 (22.0)	95 (53.7)	34 (19.2)	7 (4.0)	2 (1.1)	177 (100)	2.08	0.818
3	Quick responses client grievance	36 (20.3)	73 (41.2)	45 (25.4)	17 (9.6)	6 (3.4)	177 (100)	2.34	1.017
4	Banking transaction carried out in little efforts	42 (23.7)	89 (50.3)	30 (16.9)	11 (6.2)	5 (2.8)	177 (100)	2.14	0.946
5	Banking products are easy to use	45 (25.4)	78 (44.1)	31 (17.5)	14 (7.9)	9 (5.1)	177 (100)	2.23	1.075

*Note: Figures in parenthesis are in percentage*

*Source: Field Survey 2023*

Table 3 the results show that out of the total, 93.80 percent of respondents who agreed that easy access to get banking transaction can raise the level of banking habit, 48 percent respondents strongly agreed and 45.8 percent respondents agreed whereas, respondents representing 1.1 percent disagree and 0.6 percent strongly disagreed to the same statement. It is also evident that 4.5 percent respondents remained undecided.

It is observed that out of the total, 75.7 percent of respondents who agreed that the settlement of transaction in short time affects the level of banking habit, 22 percent respondents strongly agreed and 53.7 percent respondents agreed whereas, whereas, respondents representing 4 percent disagree and 1.1 percent strongly disagreed to the same statement. It is also evident that 19.2 percent respondents remained undecided.

It is revealed that out of the total, 61.5 percent of respondents who agreed that the quick responses client grievance affects the level of banking habit, 20.3 percent respondents strongly agreed and 41.2 percent respondents agreed whereas, respondents representing 9.6 percent disagree and 3.4 percent strongly disagreed to the same statement. It is also evident that 25.4 percent respondents remained undecided.

It is revealed that out of the total, 74 percent of respondents who agreed that the banking transaction carried out in little efforts can raise the level of banking habit, 23.7 percent respondents strongly agreed and 50.3 percent respondents agreed whereas, respondents representing 6.2 percent disagree and 2.8 percent strongly disagreed to the same statement. It is also evident that 16.9 percent respondents remained undecided.

It is revealed that out of the total, 69.5 percent of respondents who agreed that banking products are easy to use that effects the level of banking habit, 25.4 percent respondents strongly agreed and 44.1 percent respondents agreed whereas, respondents representing 7.9 percent disagree, 5.1 percent strongly disagree to the same statement. It is also evident that 5.1 percent respondents remained undecided.

Table 3 displays the mean value of convenience items, with an average mean value of 3. The results indicate a strong influence of each item on convenience, with a standard deviation ranging from 0.684 to 1.075.

## Financial Security

**Table 4**

### *Descriptive Analysis of Financial Security*

SN	Statement	Frequency (Percentage)					N	Mean	SD
		SA	A	N	D	SD			
1	Security of cash	75 (42.4)	88 (49.7)	7 (4.0)	6 (3.4)	1 (0.6)	177 (100)	1.70	0.750
2	Confidentiality of banking transaction	56 (31.6)	90 (50.8)	28 (15.8)	1 (0.6)	2 (1.1)	177 (100)	1.89	0.768
3	Authenticate of banking transaction	42 (23.7)	91 (51.4)	32 (18.1)	11 (6.2)	1 (0.6)	177 (100)	2.08	0.845
4	Low possibility of lost or theft of cash	46 (26.0)	89 (50.3)	36 (20.3)	5 (2.8)	1 (0.6)	177 (100)	2.02	0.794
5	No need to carry cash for economic activities	51 (28.8)	94 (53.1)	19 (10.7)	9 (5.1)	4 (2.3)	177 (100)	1.99	0.898

*Note: Figures in parenthesis are in percentage*

*Source: Field Survey 2023*

Table 4 the results show that out of the total, 92.1 percent of respondents who agreed that security of cash has an impact on the level of banking habit, 42.4 percent respondents strongly agreed and 49.7 percent respondents agreed whereas, respondents representing 3.4 percent disagree and 0.6 percent of the respondents

were strongly disagreed on the statement. It is also evident that 4 percent respondents remained undecided.

It is observed that out of the total, 82.4 percent of respondents who agreed confidentiality of banking transaction has an impact on level of banking habit, 31.6 percent respondents strongly agreed and 50.8 percent respondents agreed whereas, respondents representing 0.6 percent disagree and 1.1 percent of the respondents were strongly disagreed on the statement. It is also evident that 15.8 percent respondents remained undecided.

It is revealed that out of the total, 75.1 percent of respondents who agreed that authenticate of banking transaction affects the level of banking habit, 23.7 percent respondents strongly agreed and 51.4 percent respondents agreed whereas, respondents representing 6.2 percent disagree and 0.6 percent of the respondents were strongly disagreed on the statement. It is also evident that 18.1 percent respondents remained undecided.

It is revealed that out of the total, 76.3 percent of respondents who agreed that the low possibility of lost or theft of cash effects the level of banking habit, 26 percent respondents strongly agreed and 50.3 percent respondents agreed whereas, respondents representing 2.8 percent disagree and 0.6 percent of the respondents were strongly disagreed on the statement. It is also evident that 20.3 percent respondents remained undecided.

It is revealed that out of the total, 81.9 percent of respondents who agreed that the no need to carry cash for economic activities can affect the level of banking habit, 28.8 percent respondents strongly agreed and 53.1 percent respondents agreed whereas, respondents representing 5.1 percent disagree and 2.3 percent of the respondents were strongly disagreed on the statement. It is also evident that 10.7 percent respondents remained undecided.

Table 4 displays the mean value of financial security items, with an average mean value of 3. The results indicate a strong influence of each item on security, with a standard deviation ranging from 0.750 to 0.898.

## Banking Habit

**Table 5**

*Descriptive Analysis of Banking Habit*

SN	Statement	Frequency (Percentage)					N	Mean	SD
		SA	A	N	D	SD			
1	The service of the bank has created the banking habit	69 (39.0)	89 (50.3)	12 (6.8)	6 (3.4)	1 (0.6)	177 (100)	1.76	0.769
2	The behavior of the CSD staff has helped to create banking habit	48 (27.1)	95 (53.7)	28 (15.8)	4 (2.3)	2 (1.1)	177 (100)	1.97	0.790
3	The interest of financial transaction has created banking habit	50 (28.2)	83 (46.9)	24 (13.6)	17 (9.6)	3 (1.7)	177 (100)	2.10	0.975
4	Coordination and helping behavior of bank staff has created banking habit	58 (32.8)	75 (42.4)	22 (12.4)	17 (9.6)	5 (2.8)	177 (100)	2.07	1.045
5	Desire to reduce unsocial behavior help to create banking habit	67 (37.9)	73 (41.2)	16 (9.0)	10 (5.6)	11 (6.2)	177 (100)	2.01	1.123

*Note: Figures in parenthesis are in percentage*

*Source: Field Survey 2023*

Table 5 the results show that out of the total, 75.10 percent of respondents who agreed that the service of the bank has created the banking habit, 39 percent respondents strongly agreed and 50.3 percent respondents agreed whereas, respondents representing 3.4 percent disagree and 0.6 percent strongly disagreed to the same statement. It is also evident that 6.8 percent respondents remained undecided.

It is observed that out of the total, 80.8 percent of respondents who agreed that the behavior of the CSD staff has helped to create banking habit, 27.1 percent respondents strongly agreed and 53.7 percent respondents agreed whereas, whereas, respondents representing 2.3 percent disagree and 1.1 percent strongly disagreed to the same statement. It is also evident that 15.8 percent respondents remained undecided.

It is revealed that out of the total, 75.10 percent of respondents who agreed that the interest of financial transaction has created banking habit, 28.2 percent respondents strongly agreed and 46.9 percent respondents agreed whereas,

respondents representing 9.6 percent disagree and 1.7 percent strongly disagreed to the same statement. It is also evident that 13.6 percent respondents remained undecided.

It is revealed that out of the total, 75.2 percent of respondents who agreed that coordination and helping behavior of bank staff has created banking habit, 32.8 percent respondents strongly agreed and 42.4 percent respondents agreed whereas, respondents representing 9.6 percent disagree and 2.8 percent strongly disagreed to the same statement. It is also evident that 12.4 percent respondents remained undecided.

It is revealed that out of the total, 79.10 percent of respondents who agreed that Desire to reduce unsocial behavior help to create banking habit, 37.9 percent respondents strongly agreed and 41.2 percent respondents agreed whereas, respondents representing 5.6 percent disagree, 6.2 percent strongly disagree to the same statement. It is also evident that 9 percent respondents remained undecided.

Table 5 displays the mean value of banking habit items, with an average mean value of 3. The results indicate a strong influence of each item on banking habit, with a standard deviation ranging from 0.769 to 1.123.

### ***Multivariate Regression Analysis***

To identify the joint effect of all independent variables on banking habit, in this determinant of banking habit is regressed with all independent variables (availability, convenience, and financial security) of the study.

**Table 6**

#### *Model Summary of Multivariate Regression Analysis*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.603 <sup>a</sup>	0.364	0.353	0.57503

*a. Predictors: (Constant): Availability, convenience, and security*

*Source: Survey Data 2023*

The coefficient of determination, or R<sup>2</sup> value, is shown in Table 6 and represents the percentage of the overall variation in banking behaviors that can be accounted for by the regression of banking service availability, convenience, and financial security. Approximately 36% of the diversity in how urban inhabitants acquire banking habits may be explained by these independent factors.

**Table 7***ANOVA of Independent Variable and Dependent Variable*

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	32.738	3	10.913	33.003	.000 <sup>b</sup>
Residual	57.204	173	0.331		
Total	89.942	176			

*a. Dependent Variable: Banking habit of urban people*

*b. Predictors: (Constant): Availability, convenience, and financial security*

*Source: Survey Data 2023*

Table 7 of the ANOVA analysis gives a “Sig” value of (.000), which is lower than .05 in this case. As a result, there is a significant link between the independent and dependent variables at 5% level of significance. So, availability, convenience, and security (independent variable) have a positive linear significant relationship with the banking habit of urban people.

**Table 8***Coefficient of Multiple Regression Analysis*

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	0.386	0.176		2.201	0.029		
Availability of services	0.219	0.085	0.205	2.585	0.011	0.586	1.705
Convenience of services	0.013	0.090	0.012	0.149	0.882	0.561	1.783
Security of transactions	0.571	0.084	0.478	6.782	0.000	0.742	1.349

*a. Dependent Variable: Banking habit of urban people*

*Source: Field Survey 2023*

Table 8 indicates the multiple regression analysis. Here, availability, convenience, and security were identified as independent variables, and banking habit of urban people as a dependent variable. The results show that the p-value of availability of services and Security of the transactions are less than the 5 percent

alpha level. This indicates there is a positive relationship between availability of services and security of the transactions on banking habit of urban people. Therefore, the alternative hypothesis is supported. It shows that as availability of services and security of the transactions all rise by one unit, banking habits rise by 0.219 and 0.571 units respectively. Above table VIF value is less than equal to 10, so no serve multicollinearity exit in the model.

**Table 9**

*Summary of Hypothesis*

Hypothesis No.	Hypothesis	Result
HA1	Availability of banking service has significant effect on banking habit of urban people.	Support
HA2	Convenience of banking service has significant effect on banking habit of urban people.	Reject
HA3	Financial security of transaction has significant effect on banking habit of urban people.	Support

Availability of banking service has significant effect on banking habit of urban people. The results show that the p-value of availability of services and Security of the transactions are less than the 5 percent alpha level. This indicates there is a positive relationship between availability of services and security of the transactions on banking habit of urban people which has found similar result of (Sanghvi et al., 2017) works.

**Conclusion**

From the above test we can conclude that, people can develop good banking habits if they are provided with affordable products and services, they get good customer services and co-operation from the banks which facilitate wider use of banking services, it can be concluded as follows:

1. Availability of service has a positive and significant effect on banking habit of urban people. This means that the sufficient availability of service, the increase in the banking habit of urban people.
2. Security of transaction has a positive and significant effect on banking habit of urban people. This means that sufficient considerations in security of transaction, increases in the banking habit of urban people.

This study be helpful to identify the bottlenecks in the effective banking practices deployment in the urban areas.

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