



ROLE OF TECHNOLOGY IN BANKING AND FINANCIAL SERVICES

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Article Info <i>Received 15/03/2015</i> <i>Revised 27/03/2015</i> <i>Accepted 20/04/2015</i> Key words: Banking and Financial Services, Digitalised and networked services.	ABSTRACT The Banking and Financial Services Industry has embraced the use of technology to serve its client's faster and also to do more with less. Emerging technologies have changed the banking industry from paper and branch based industry to "digitalised and networked services". Unlike before, broadband internet is cheap and it makes the transfer of data easy and fast. Technology has changed the accounting and management system of all institutions. And it is now changing the way how banks and financial services institutions are delivering services to their customers. However the technology comes at a cost, implementing all this technology has been expensive but the rewards are limitless.
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INTRODUCTION

The Role of Technology in Banking and Financial Services institutions were as follows:

1. E-banking
2. NRI-banking services.
3. Rural Banking.
4. Plastic money.
5. Self-inquiry facility
6. Remote banking
7. Centralised Information results to quick services.
8. Signature retrieval facilities.

The above technological implementation in banking and financial services sector will have positive and negative impacts in this industry which will be discussed in this paper [1,2].

1. E-banking:

Through this type of technology customers can access their banking services in their computers/laptops/mobile applications. Electronic Data Interchange has been used by the banks to exchange the data between customers and bank.

2. NRI-banking services:

Under this system an NRI residing in abroad can extend his banking operations to their family

counterparts in India so as to access their account and transfer funds to them.

3. Rural Banking:

Under this system rural people will access to the banking system by operating an account across the country by opening an account in a rural branch.

4. Plastic Money:

Under this Credit cards/smart cards have made banking industry flexible than before. Customers instead of going to a bank they can access to the banking services through their smart cards anywhere and any place in the World.

5. Self-inquiry facility:

A customer can use their ATM cards to ascertain their balances, remittances, withdrawals through their cards.

6. Remote Banking:

This system enables the customer to operate their transactions in the bank through their ATM cards



even in rural areas where the banking facility is not available.

7. Centralised Information to quick services:

This enables the customer to transfer one information from one branch to another easily.

8. Signatures retrieval facilities:

Technology has advanced to check the customers's signatures even before their withdrawal from their account [3,4].

IMPACT OF TECHNOLOGY IN BANKING AND FINANCIAL SERVICES

Technology created a greater impact on banking and financial services institutions by

1. Customer Loyalty.
2. Customer Interface.
3. Lesser Mobility.
4. Lesser Paper work.
5. Easy access to banking and financial services
6. Data storage and retrieval
7. Gap is minimized.
8. Time Management.
9. Processing will be easy.
10. Safety and security will be maintained.

1. Customer Loyalty:

Customers of a particular bank will continue to operate in a bank due to its technical facilities offered to him so that their credibility will be improved.

2. Customer Interface:

One customer can easily interact with another customers through transfer of funds under internet banking system.

3. Lesser Mobility:

Customers can avoid mobility from one place to another place by operating the banking system in their

home itself.

4. Lesser Paper work:

Paper work will be replaced by records created through data bank of the customers through various data bases in the bank.

5. Easy access to banking and financial services:

Customers can easily access to the banking system across the Country though one Core Banking system.

6. Data Storage and Retrieval:

Customers data cannot be erased or changed and it can be retrieved by the bank at any point of time.

7. Gap is minimized:

Gap between the banker and customer will be minimized by looking the customer's interest individually.

8. Time Management:

Time Management is ensured by the banks through services on time as required by the customers.

9. Processing will be easy:

Processing of an application by the banks will be easy and quick.

10. Safety and Security will be maintained:

Customers were ensured about their safety and secrecy of their accounts through encryption and coding of an account [5].

CONCLUSION

Thus Technology has made lot of impact on customers which brings a good sign for customer relationship by the banks. However a customer has to ensure their technological adoption only through their utility of services at appropriate time.

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