

Ideation Phase

Define the Problem Statements

Date	19 September 2022
Team ID	PNT2022TMID49300
Project Name	AI Based Discourse for Banking Industry
Maximum Marks	4 Marks

AI Based Discourse for Banking Industry:

Harnessing cognitive technology with Artificial Intelligence (AI) brings the advantage of digitization to banks and helps them meet the competition posed by FinTech players.

In fact, about 32% of financial service providers are already using AI technologies like Predictive Analytics, Voice Recognition, among others, according to a joint research conducted by the National Business Research Institute and Narrative Science². Artificial Intelligence is the future of banking as it brings the power of advanced data analytics to combat fraudulent transactions and improve compliance.

Example:



Literature Survey

Title:

Investment in Information Technology.

Author:

Y.Arabyt

Year:

2014

Description:

It pointed out that the technology was following three directions, firstly, scientific knowledge which creates the required application, secondly, inventions and discoveries that are created from the use of scientific knowledge and lastly the scientific application, which aims at attaining results through the practical usage of the appliances. The study revealed that in order to achieve the positive results from the investment in information technology, it was necessary to make long term investments in organizations, needs to arrange for all the requirements that are essential for the best use of the IT and creates new job opportunities. Frontier efficiency analysis was used to measure the efficiency of banking sector and production and intermediation approach were used to identify the banks inputs and outputs. The findings showed that the medium sized banks had the presence of more cost-scale economies than that of the small and big sized banks

Title:

Digitalisation of the Banking Sector.

Author:

G.Parimalarani

Year:

2020

Description:

The digital transformation that took place in banks had changed the organizational and management level design and hiring processes at banks. The increased automation in banking sector could result in a massive unemployment trend and a fall in demand for human workforce in banking sector. It pointed out that the day to day banking operations are going to the pace of digitalisation and so the role of work roles like clerks, middle level officers are predicting a loss in their positions.

The digitalisation widened the point of contact of the bank users so that they can access the services whenever and wherever they want. While analyzing the trend of employment in banking sector its attempted to point out that 70% of the front office jobs are displaced by artificial intelligence and the positions like tellers, loan officers, customer service representatives and clerk are replaced by chat bots, voice assistant and automated biometric technology. It stated that the transformation in banking sector has created some new roles like cyber security specialist, programmer, block chain architect, credit analyst etc.

The study concluded that the role of human workforce is not completely outdated, the work of employees along with the digital or automated technologies will improve the profitability of banks on one hand and reduce the cost and manual errors on other hand.

Title:

Economic Development in Indian Economy.

Author:

Jain.M & Popli.G.S

Year:

2012

Description:

With the emergence of information technology into the field, banks became the financial hypermarket, with the improvement of front end activities with the back end activities and able to achieve the cutting down of transaction cost and provision of value added services to the customers.

It pointed out that the increased use of information technology had created a way for the banking sector to go beyond their traditional operations. The study which was based on the secondary data, tried to analyse the process of computerization of banking branches, the various innovation emerged and the ATM strength in the public sector banks.

With regard to the computerization of bank branches, it was found that 97.8 % branches are fully computerized and the various innovations took place in the banking sector includes the NEFT, RTGS, card payments, ATM etc. It also analysed the strength of ATMs in the banking sector and found that the 70% of the ATMs were in urban areas and the public sector banks had more reach in rural areas.

The study was concluded that the information technology in banking sector has helped the banking sector not only to redesign their internal processes and activities but also to improve the products and services based on the customer needs and requirements.

Title:

Impact of Banking Innovative Technology.

Author:

Joseph.M ,McClure.C & Joseph.B.

Year:

1999

Description:

The study pointed out that, today, majority of the customers are preferred to use technology driven services than that of a service from an employee and also stated that if the customers have more control over the technology, then they had greater control over them. In order to analyze the service quality, a six factor model consisted of convenience or accuracy, feedback, queue management, efficiency, customization and accessibility were used.

The six factor model were further analysed using the four dimensions of importance-performance grid. The findings of the study showed that, two factors (convenience and efficiency) falls under the keep up good work quadrant of the grid and convenience and waiting time were selected as the best and worst aspect of the electronic system of banking respectively.

The study was concluded by providing some suggestions to the banking sector, such as to make ways to make the electronic banking services more accessible, ensure security in the transactions, and develop electronic facilities which cater the needs of the elderly and the disables ones too.

Title:

Technology changes in Business Environment.

Author:

Scarbrough.H & Lannon.R

Year:

1988

Description:

It used a case study approach to explain the various organizational and technical problems of managing and the developing the strategy for technological innovations. It pointed out that the common strategy for managing the new technological changes was firstly, the awareness of the top management about the strategic implications of the technology and the incorporation of the various technological factors to the strategic decision making process and secondly, the strategic response by the formulation of a strategy for new technology which integrates the managerial functions to the process of innovation.

The case study revealed that the technological management can be analysed by the organizational learning process, which explained the way in which the organizations adapt to the changing needs by the new technological innovations.