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"Banking Buzzwords: A Technological Innovation in Banking Industry

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ABSTRACT

Technological Innovation can be the only panacea for a business firm to sustain in the industry that facilitates in curbing the competition. The paradigm shift in banking and financial serves has strategically focuses on transformational changes in 2018. Banks are adopting computer programs to enhance capabilities of business by the implementation of sophisticated artificial intelligence to curb fraudulent practices, improve customer response, offer standard customer service, enable virtual assistant to offer real time solutions, digital documentation etc. Transformative technology has enabled banks and financial institutions to automate their operations based on advanced data-driven. Artificial Intelligence, Business intelligence and digitalization, will focus on cognitive application in functional areas of business along with investment and compliance sectors of financial services industry.

Key Words: Artificial Intelligence, Scalability, Technology Enabled Service (TES) and Ratification.

1. INTRODUCTION

Banks are adopting computer programs to enhance capabilities of business by the implementation of sophisticated artificial intelligence to curb fraudulent practices, improve customer response, offer standard customer service, enable virtual assistant to offer real time solutions, digital documentation etc. They are transforming their service towards the customers by embracing technological innovations. Some of the technological terminologies that are currently applied in today's industry are:

Business Intelligence: Analysis of business related data either quantitative or qualitative by strategic or technological to gain prominent insights and take better decisions. Ex: TRUPOINT software

- **(a) FinTech:** The sector of financial and technology industry primarily focused on offering financial services through technology. It stands for Financial Technology. Ex: Crypto currency
- **(b) RegTech:** It is a combination word of Regulatory and Technology. It refers to any technology that facilitates the financial companies to comply with financial regulations by using software. Ex: Redlining Analytics

(c) **Crypto currency:** Digital currency which is secured and decentralized that is controlled by every single data point and digital ledgers are verified by every member in the network. Ex: Block chain.
(d) **Neo Bank:** A new wave in the banking industry where financial institution challenges the traditional banking market in which digital financial institutions provide bank –licensed products through relationships with partnered banking institutions. Ex: Yolt by ING
(e) **Artificial Intelligence (AI):** It refers to the ability of a machine to make decisions with the help of computer programs with an objective to achieve goals efficiently and effectively. Ex: IBM's Watson
(f) **SaaS:** It stands for Software as a service, which provides a centrally hosted software or application via internet as a service. Ex: Microsoft Office 365
(g) **TES:** It stands for Technology Enabled Service. It is a type of product or company that leverages technology with service to offer value to the customers.
(h) **Data Stewardship:** It projects the responsibility of a company, product or person towards the data quality and security in the business. Ex: TRUPOINT
(i) **Location Based Authorization:** It is a type of security feature primarily focused on the software and application which controls access of the systems based on the location.
(j) **Datafication:** It represents the application of data in the area of business for making decisions, build strategies which describes the movement towards quantification. Ex: Fit bit
(k) **Predictive Analysis:** It describes the analysis focused on using present and past data to forecast the future that identifies the opportunities and risk especially regarding credit risk, fraud detection in banks.

2. CONCLUSION

Banks are automating their processes, migrating their infrastructure and applications to the cloud to create a seamless customer journey. They must remain cognizant of numerous implication from within and outside the financial service industry. Technological Innovation can be the only panacea for a business firm to sustain in the industry that facilitates in curbing the competition that influences business in their efficiency, productivity, costs, relationship with clients, retention of market share, customer satisfaction and growth having greater impact on the economy in various sectors of business.

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