

Lesson 1: Information technology

General Introduction

Information technology (IT) is the use of computer systems or devices to access information. Information technology is responsible for such a large portion of our workforce, business operations and personal access to information that it comprises much of our daily activities

1/ Definition of Information Technology

Information Technology (IT) is the driving force behind the revolution in digital banking, reshaping the operations of financial institutions and customer interactions. Through seamless integration with banking services, IT has facilitated the development of online banking platforms and mobile applications, providing customers with convenient access to their accounts. IT's contribution is further evident in enabling secure digital payment solutions, safeguarding customer data, and preventing fraud. Utilizing data analytics, IT allows banks to offer personalized services, enhancing customer satisfaction. Automation has streamlined processes, reducing manual intervention, and optimizing efficiency.

The term “**Banking Technology**” refers to the use of sophisticated information and communication technologies together with computer science to enable banks to offer better services to its customers in a secure, reliable and affordable manner and sustain competitive advantage over other banks. Banking Technology also subsumes the activity of using advanced computer algorithms in unraveling the patterns of customer behavior by sifting through customer details such as demographic, psychographic and transactional data.

Information Technology has significantly increased the operational effectiveness of banks. Automation has greatly decreased manual labour, minimised errors, and increased overall productivity for regular jobs including account administration, transaction processing, and document verification.

Secondly, information technology has revolutionized customer interactions and experiences in the banking sector. Internet banking, mobile banking applications, and digital payment solutions have empowered customers with round-the-clock access to their accounts, enabling transactions, bill payments, and fund transfers at their convenience. Furthermore, IT has facilitated the development of personalized services by analyzing customer data, allowing banks to offer

tailored products and recommendations, thereby strengthening customer relationships and satisfaction.