Panel - IT in Banking and Finance

Kevin Streff  
*Dakota State University, kevin.streff@dsu.edu*

Chuck Cinco  
*Premier Bankcard, LLC*

Scott Erkonen  
*Home Federal Bank*

Nick Pullman  
*Citigroup*

Erik Osterkamp  
*Secure Banking Solutions, LLC*

Follow this and additional works at: [http://aisel.aisnet.org/mwais2009](http://aisel.aisnet.org/mwais2009)

Recommended Citation

Streff, Kevin; Cinco, Chuck; Erkonen, Scott; Pullman, Nick; and Osterkamp, Erik, "Panel - IT in Banking and Finance" (2009).  
[http://aisel.aisnet.org/mwais2009/4](http://aisel.aisnet.org/mwais2009/4)

This material is brought to you by the Midwest (MWAIS) at AIS Electronic Library (AISeL). It has been accepted for inclusion in MWAIS 2009 Proceedings by an authorized administrator of AIS Electronic Library (AISeL). For more information, please contact elibrary@aisnet.org.
INTRODUCTION

Technology is exploding in use to support the financial services sector. This explosion has provided tremendous opportunity and challenge for those marshalling technology resources. For example, every day cyber criminals are scanning networks for customer and financial information they can steal. The financial services sector is deemed a critical cyber infrastructure which America depends upon every day (Presidential Decision Directive 63, 1998). When issues in the financial system exist, confidence erodes and consumers are left paralyzed wondering what to do. Similarly, when data breaches occur, customer confidence is eroded and spending is held close to the vest (Remarks of Deborah Platt Majoras Chairman of the Federal Trade Commission, Protecting Markets and Consumers in a High-Tech World, 2005). This panel discussed how information technology is used to support financial services commerce, discussed significant issues with technology in financial services, and reflected upon a research agenda for financial services for academicians to consider.

BANKING AND FINANCE IT

The panel communicated how significant technology is to efficient operations and customer differentiation. Panelists identified the following significant technologies as further facilitating technology growth in financial services over the next several years:

1. **Mobile Technologies**: The world is clearly becoming mobile, and mobile banking was highlighted as the next big technology thing for banks. The panel described how important mobile commerce is to the younger generation, and how financial services companies large and small are struggling with the timing of this investment.

2. **Social Networks**: The panel described that integrating social networks into customer recruitment and retention projects have not gained the steam excepted; however, many financial services organizations have found internal use of social networks to improve communication and efficiency.

ISSUES WITH BANKING AND FINANCE IT

Several key challenges were identified as issues in banking and finance IT:

1. **Security**: Securing customer and financial information is a key challenge in financial services and a cause of much concern for executives. Solutions are necessary that address security awareness, perimeter security, insider activity and information security management. Panel executives communicated that security and privacy issues are the number one technology issue for financial services because of the significant compliance drivers in the industry and negative press that results from data breaches.

2. **Integration**: The purchasing of stand-alone systems over the years has proven difficult and expensive to manage years later. The panel communicated concerns over duplicate customer databases, duplicate business processes and the like. The panel further communicated that much work is being done to integrate these platforms; however, this integration is slow and expensive. The integration of business processes with banks, insurance carriers, Federal Reserve, etc. have also proven challenging as standards and protocols are problematic.
RESEARCH AGENDA IN BANKING AND FINANCE IT

The panel identified the following research issues as projects academicians should consider when determine their research agendas and looking for fundable projects:

(1) Mobile device security – securing laptops, backup tapes, USB sticks and other mobile devices needs much research attention. Many security breaches occur because of these mobile techniques and improved solutions are necessary for this space.

(2) Mobile commerce security – merchants, branches and other business partners are connected and conducting commerce. For example, merchant capture solutions offer merchants the opportunity to remotely deposit checks (versus visiting a bank branch for in-person deposits). However, many security issues exist with this level of integration and more solutions (people, process and technology) are necessary for this space.

REFERENCES
