

Team 5 Executive Innovation in Banking Services Executive Summary

2.5 Billion people worldwide are discriminated against using formal or semi-formal banking services (Demirguc-Kunt, 2015). For those using the banking services, operating as a middle man, the ownership costs of the offering are expensive with little value-added quality. The objective of this paper is to apply the Innovation Management framework of Future State Design to banks to understand the current state of the banking services and what could constitute the “To Be” ideal state while filling the gaps. Following this structured methodology, we first set a vision for the work, then worked out the business case to clearly define the problem statement. Our project goal was to demonstrate how new technology could change the way we bank. The global funding in financial technology firms (FinTech) and startup as of 2016 reached US\$ 36 Billion (Feldboy, 2016). Banks are conscious of these disrupting threats and offer to collaborate with FinTech: 43% of Banks incubate FinTech startup programs, with 20% of Banks setting up venture funds to fund FinTech (Volin, 2017). However, Bankers are at the heart of war financing and financial market manipulations (CNBC, 2016). The new paradigm pushes customers of technological firms to use payment and money transfer services through ApplePay, GooglePay, Facebook, WeChat and SamsungPay and others. New technologies such as robotic workforce, banking of things, crowd funding and Bitcoins, Blockchains are disrupting banking services. Today, the focus is on branchless banking, making use of customer data outside of finances with Artificial Intelligence to offer outstanding financial services.

The call to actions is to start using bank’s apps rather than always going to the teller for basic operations such as money transfer and cheque deposits. Participate on banking forum to voice the imperative of banking technologies. By means of awareness, each one of us could help define

a new future where banking services are not for a peculiar few but where financial inclusion is obtained.