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THE EFFECT OF CORE BANKING SYSTEM ON NON-FINANCIAL PERFORMANCE OF MOB BANK

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THE EFFECT OF CORE BANKING SYSTEM ON NON-FINANCIAL PERFORMANCE OF MOB BANK

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ABSTRACT

The study aims to identify the core banking system practices in MOB Bank and to analyze the effect of core banking system on non-financial performance of MOB Bank. MOB Bank is using the Temenos core banking system. To analyze the effect of core banking system on non-financial performance of MOB Bank, the study analyzed with the four factors of software utilization, productivity, security and user friendly of core banking system. (120) respondents were randomly selected from employees of (6) branches in Yangon and IT Department of MOB Bank. They were interviewed by using the structured questionnaires with five point Likert scale. From the analysis of the study, it was found that user friendly factor is the highest effect in the daily banking activities as user friendly and convenient for all users. However, this study found that unauthorized user can access, modify or destroy data within the usage of core banking system. Accordingly, it could be suggested that unauthorized access of the data and information stored in the system may cause information leakage and may impose a big issue in using core banking system. In order to prevent, the system administration team should systematically records for core banking users. In user friendly function, it could be suggested that management of MOB Bank should give more efficient training to bank staffs.

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ATM	- Automatic Teller Machines
CBS	- Core Banking System
POS	- Point of Sales Transfer Terminals

CHAPTER 1

INTRODUCTION

In recent years, the banking industry has changed dramatically due to major changes that have taken place in the areas of technology and communications. This has led to increased competition and the provision of e-banking services. Also, the scope of electronic banking activity is highly developed and banks are determined to use all the capacities created in this area. On the other hand, new business methods are based on information technology services and accordingly, electronic banking has enabled banks to use advanced technology to provide services and allows the use of different kinds of electronic channels. More and more e-banking growth has created banks with a large number of separate systems. The number, variety and complexity of information systems, the increasing number of data and banking transactions have highlighted the existence of a core, high-reliability system to support the business of the bank. Therefore, banks have determined to use core electronic banking. The principle of integration in electronic banking requires the existence of a core information system with a strategic role in the banking business, as the core banking system. In recent years, a large part of the banks has pushed their systems toward a core banking system. Today, the use of a core banking system for the world's banks and the banking business is inevitable, but the concepts of a core banking system and its efficiency for many Individuals are not yet known, and therefore optimal utilization of investments made in this section is not taking place. Core banking systems are a complete information and operational system that fully supports micro-operations to banking operations.

Banks traditionally are the intermediaries, which collect deposit from various entities and provide to those who need it for profit. But, new generation Banks with the help of technology are not only collecting and disbursing money to different entities but also provide numerous services to various entities which facilitate their business operations. Banks aim to reduce costs, enhance efficiencies and guarantee customer retention with use of technology . With the advent of computer technology and the modern internet, banking systems around the world have undergone a massive transformation. In the past four decades, there has been a revolution of sorts that has introduced new methods of basic banking activities. The

latest technological innovations have replaced traditional banking methods with modern and sophisticated systems. From simply a place to deposit money and lend money, the banks have emerged as an integral part of the economy and financial system of the world. They have grown to become an important institution in our society. This drastic change in the banking system occurred simply due to the evolution of banking technology. In banking, the relationships between institutions and their customers are critical and technology such as ATMs, POS, SMS Banking, Online Banking and Mobile Banking is the mediator in that interaction. Technological advances enable close and long-term relations with customers. One of the most revolutionary movements that changed the traditional banking systems is the adoption of the Core Banking System. This article sheds light on this specific aspect of the banking system, its history, features, advantages and the role in the society.

Core Banking solutions are vital to the day-to-day functioning of any bank. It is an integral part of the banking technology which aims to serve their clients and customer with the best services. In simple words, core banking solutions are account-management back-end and front-end processes. Core is short for "Centralized Online Real-time Exchange." As the name suggests, it is a centralized system or a network created by a bank and its branches. This allows the customers of the bank to access manage and perform basic transactions from any branch of the bank they hold an account in. Thus, core banking software allows the banks to create a centralized data center. Traditionally, Core Banking is closely associated with the retail banking sector of the commercial banking system. However, due to the rise in the number of corporate clients, banks have realized the convenience core banking services could bring to corporate banking solutions. Therefore, banks are now committed to widening the scope of core banking system beyond retail banking. Some of the basic cores banking solutions include deposit accounts, loans, payments and more. With the help of core banking software, these services are made available to the bank's customers through ATMs, internet banking, mobile banking, and brick and mortar bank branches. Core banking system uses Information Communication Technology as a platform for its various applications to simplify banking procedures and processes.

1.1 Rationale of the Study

This study observes the effect of core banking system implementation on MOB Bank because of the core banking system is the important role in the banking and financial services sector in Myanmar. Myanmar Oriental Bank was initially established and started its operation on 18th November 1993 as a private limited bank under the Financial Institutions of Myanmar Law. Its founders were prominent bankers retired from state-owned banks, family members holding the majority of shares, and their relatives and close friends from the business environment. At present, MOB Bank has 47 branches in Myanmar. The bank has played an important role in the stability and success of domestic banking in Myanmar by contributing its efficient and reliable banking services and promoting financial intermediation in the country since the past 24 years. The bank provide financial services including foreign currencies (USD, EUR, SGD) as current accounts and Myanmar Kyat as current, call, savings and fixed deposits within its present banking network of 46 branches across the country.

In addition, the bank also provides banking facilities and other financial assistance to its customers in the form of commercial loans, trustee and remittance services. Upon approval from the Central Bank of Myanmar, the bank was among the first few selected financial institutions that were allowed to deal in foreign currencies and international banking. It was among the first batch of six private banks to be permitted to open currency exchange counters in the country. As a leading member of the Myanmar Payment Union, the bank has introduced ATM and POS debit card and credit card facilities for the promotion of electronic payment systems in the country. The bank has developed an overseas network by establishing corresponding relationships with 62 banks worldwide. The bank has also signed a partnership agreement with Western Union through which customers can transfer funds using its affiliated network in 111 countries from/to the bank. Apart from its core banking business, MOB established the Oriental Leasing Company Limited (OLCL) as a subsidiary in 1995, extending financial assistance to its customers in acquiring household and other durable consumer items. The bank owns 99% of the company's share capital.

MOB Bank has been already completely changed core banking system in October 2018. The solution is only the use of core banking architecture which

provides branchless or seamless ultimate customer service to have faster communication among extending bank branches around the country and to provide convenient services to its customers from anywhere. After changing the core banking system, the benefit for customers is they can withdraw and deposit their accounts in MOB Bank from any MOB branch. Bank also must have proper business justification, such as growth in business, reducing human error, avoiding fraud, decreasing operational costs, improving operating efficiency and improving relationships with customers. Therefore, the study aims to analyze the current situation of CBS and to compare growth rate in pre and post CBS implementation of MOB Bank.

1.2 Objectives of the Study

In this study, there have two major objectives.

(1) To identify the core banking system practices in MOB Bank

(2) To analyze the effect of core banking system on non-financial performance of MOB Bank

1.3 Scope and Methods of the Study

For this study which is the effect of core banking system implementation on MOB Bank, descriptive research method is used. Primary and Secondary data included in the study and used random sampling method. Primary data is collected by conducting the structure questionnaires by MOB staffs. Secondary data is also collected from MOB Bank's annual reports, websites, text books and previous research papers.

Among the staffs of respective department and branches of MOB Bank, this study focuses on (120) responsible persons who are currently using MOB Bank's core banking system from (6) branches of Yangon regions and IT Department because these branches are the most transaction branches in MOB Bank and IT Department is directly relevant with core banking system.

1.4 Organization of the Study

This study is divided into five chapters. Chapter one presents an introduction and background of the study. This chapter includes objectives, method and scope of

the study. Chapter two consists of theoretical background of the study. Chapter three describes the profile and core banking practices of the MOB Bank. Chapter four presents analysis of the effect of core banking system on non-financial performance of MOB Bank. Chapter five is conclusion part and gives a summary report of the findings in relation to the aims of the study and also presents the appropriate suggestion based on the results obtained.

Chapter 2

LITERATURE REVIEW

This chapter presents the literature about core banking system concerned with this research. It includes concept of core banking system, elements of core banking system, implementation of core banking system and effect of core banking system on banks.

2.1 Concept of Core Banking System

Today, it is impossible to get the success of a banking system without information and communication technology. It is the important role of banking sector in the economy. The financial transactions and payment can now be processed quickly and easily. The banks which is used the modernized IT techniques are more successful in the competitive financial market. They have been able to generate more and more business resulting in their greater profitability (Kaur 2012).

Information Technology has marked a turning point in the history of banking services with high availability of international bandwidth and powerful workflow management. It is now possible to perform any banking process, execute the sub-processes in multiple locations around the world, and reassemble it, at another location. Technology has penetrated into new markets, new products, new services and efficient delivery channels for the banking industry. Technological innovation not only enables a broader reach for consumer banking and financial services, but also enhances its capacity for continued and inclusive growth (Seranmadevi&Saravanaraj 2012).

It is evident that in improving customer services, management information system and ensuring high productivity, technology orientation has become inevitable. In creating a viable and efficient banking system, which can respond adequately to the needs of growing economy and tastes of customers, technology has a key role to play (Kaur,2012). Kaur also stated that technological challenge is to identify suitable areas of automation, selecting appropriate software and priorities the implementation on suitable and cost effective hardware so that in ultimate analysis, gains outweigh the cost (Seranmadevi&Saravanaraj 2012).

The first core banking solutions appeared in the 1970s in the United States. Most of them ran on mainframe computers and were designed by the banks themselves or by third parties in conjunction with the large US banks. Limitations to exporting these systems outside the US were customized by top tier banks, but these efforts consistently failed. In the 1980s, we saw package solutions coming from other parts of the world, primarily Europe, Asia and Australia. Vendors with a different but comparable background also entered the arena, for example the private banking solutions developed in countries such as Switzerland and Luxembourg. Because -due to the nature of their business - these were more customer focused than the transaction- oriented, transaction-crunching engines available before, they had natural fit with the customer centricity that was coming increasingly into focus. Limitations of these systems mainly had to do with the ability to handle large volumes. The 1990s saw new players emerging in India, benefiting from the opening up of the Indian economy, the availability of English language skills, and the huge pool of highly skilled engineers. i-flex solutions (and its legal predecessor CITIL) can be considered as the first successful software product company from India that managed to sell outside the Indian subcontinent few years later by Oracle(through the acquisition of i-flex solutions and Siebel and aligning these to their technology and application strategies.(Israa, Sarah&Tebian,2013)

Core Banking is normally defined as the business conducted by a banking institution with its retail and small business customers. It is networking of branches, which enables customers to operate their accounts and available banking services from any branch of the bank on core banking network, regardless of where it maintains the account. Many banks treat the retail customers as their core banking customers, and have a separate line of business to manage small businesses. Larger businesses are managed via the corporate banking division of the institution. The core banking system is a step towards enhancing customer convenience through anywhere and anytime banking. (Manjushree, 2014))

Core Banking systems are basically the main important role of all systems running in a bank and it forms the core of bank’s IT platform. Nowadays, most banks use core banking applications to support their operations where CORE stands for "centralized online real-time environment". This basically means that the entire bank's

branches access applications from centralized datacenters. This means that the deposits made are reflected immediately on the bank's servers and the customer can withdraw the deposited money from any of the bank's branches throughout the world. These applications now also have the capability to address the needs of corporate customers, providing a comprehensive banking solution. (Dandapani, 2008)

A few decades ago it used to take at least a day for a transaction to reflect in the account because each branch had their local servers, and the data from the server in each branch was sent in a batch to the servers in the datacenter only at the end of the day (EOD). Core banking basically is depositing and lending of money. Previously a bank’s core operations such as keeping a ledger of various transactions, maintaining customer information, interest calculation of loans and deposits, adjustments to accounts on withdrawal and deposits of funds were done manually. With the advent of Information Technology, manual efforts were done to automate various banking processes using software applications to make them simple, efficient, effortless and cost effective. (Israa, Sarah &Tebian, 2013)

Normal core banking functions will include deposit accounts, loans, mortgages and payments. Banks make these services available across multiple channels like ATMs, Internet banking, and branches. Banks make these services available across multiple channels like ATMs, Internet banking, and branches. Previously a typical bank’s core operation such as keeping a ledger of various transactions, maintaining customer information, interest calculation of loans and deposits, adjustments to accounts on withdrawal and deposits of funds etc. were done to automate various banking processes using software applications so as to make them simple, efficient, effortless and cost effective. Thus, the platform where ICT is used to perform the core operations of a bank, like those mentioned above, is known as Core Banking System (Israa, Sarah &Tebian, 2013). In Core Banking System, software applications record transactions, maintain customer information, calculate interest on loans and deposits etc. The data, instead of huge ledgers, are stored in backend databases in digital form. Now, the same software can be installed in various branches of a bank and can interconnect through the internet or telephone lines to form a core banking network of the bank. The advantage, a customer can operate on his account from any branch of the bank and if the bank owns Internet Banking or ATM facilities, then the customer can operate on his account from virtually anywhere (Rojo, 2012).

2.2. Benefits of Core Banking

1. Centralized Accounting

All the transactions of the bank directly affect the General Ledger and Profit and Loss Account. This provides a real time total picture about the financial position and situation of the bank. This helps for timely effective decision making for financial management; a very critical and dynamic function in today's banking (kulkarni, 2012).

2. Centralized Product Control & Monitoring

Centralization helps in better product analysis, monitoring and rollout. Aspects like interest rate modifications, product modification and interest application can be done centrally from one place for all the branches. Bank can quickly respond to market scenario and customer needs. This gives competitive edge to the bank (Israa.et.al 2013).

3. Introduction of Technology Based Services

Service channels such as ATM, either on-site or off- site, can be started. Cheque Deposit Machines (CDM) can be installed. Such machine in WAN connectivity can allow any customer to deposit the cheque for collection at any branch (Rojo ,2012).

4. Centralized Customer Account Management

Any customer becomes the customer of the bank rather than of a branch. With unique ID/ Account Number the accounts of the customers can be viewed centrally by the bank. As such, customer profile, details of the services availed by him and customer behavior about business of the bank can be well understood. Such customer view gives the bank opportunity to decide directions for business development and marketing strategies (kulkarni, 2012).

5. Centralized Reporting

Presence of centralized data constantly live up-dated at any time ensures comprehensive report / statement generation. This tremendously helps in decision

making as well as submission to various authorities. Operational efficiency of the bank gets increased due to quick report generation for bank as a whole (kulkarni, 2012).

6. Centralized System Administration

Centralized system / IT administration enhances system security and user management. There is reduction in man-power need and cost. Due to single point resource available IT manpower is utilized properly (kulkarni, 2012).

7. Core banking for the Improvement of Clearing House Functions

Banker`s Clearing House is a place where interbank claims arising on account of cheques received for collection by each bank drawn against other banks are settled. Every day, each bank receives hundreds of cheques drawn on different banks. It would be a difficult process to present all these cheques for payment over the counters of each bank. Today, only a very limited numbers of cheques issued are presented for payment to the banks to obtain cash or notes in exchange. A great majority of cheques are paid though the medium of clearing houses (Gomez, 2008).So, core banking supports this facility as all branches directly connected to the clearing house.

2.3. Core Banking System in Banks

1. Electronic money

Electronic money service involves the use of internet or other networks to transmit or store money. This type of money can be stored on smart cards or computer's hardware. Electronic money falls into different types as follows: electronic card, electronic wallet, electronic check, digital money, and virtual card (Maleki&Akbari, 2010).

2. Automated Teller Machines (ATMs)

It is an electronic terminal which gives consumers the opportunity to get banking service at almost any time. An ATM combines a computer terminal, record keeping system, and cash vault in one unit, permitting customers to enter a financial firm`s bookkeeping system with either a plastic card containing a personal identification number (PIN) or by punching a special code number into a computer terminal linked

to the financial firm`s computerized records 24 hours a day. Once access is gained into the system, cash withdrawals may be made up to pre specified limits, and deposits, balance enquiries, and bill paying may take place. (Alagheband, 2006)

3. Point-of-Sale Transfer Terminals (POS)

POS Transfer Terminal services mean computer facilities in stores that permit a customer to instantly pay for goods and services electronically by deducting the cost of each purchase directly from his or her account. The customer presesnts an encoded debit card to the store clerk who inserts it into a computer terminal connected to the financial firm`s computer system. The customer`s account is charged for the purchase and funds are automatically transferred to the store`s deposit account. (Alagheband, 2006)

4. Internet Banking

It is an electronic banking system using web technology in which Bank customers are able to conduct their business transactions with the bank through personal computers. Use of internet to carryout financial transactions is certainly one of the most promising avenues today for linking customers with financial service providers (Alagheband, 2006).

5. Mobile Banking

Mobile banking is a financial service that enables customers to conduct some banking services such as account inquiry and funds transfer, by using of short text message (SMS). As more mobile phones are linked technologically with the internet and with credit and debit card accounts, the cell phone literally becomes a “Portable Bank” (Alagheband, 2006).

Additionally, by combining cell networks with the power of the internet to convey vast amounts of information at high speed, the mobile phone and SMS text messaging technology seem to offer the potential to promote worldwide use of debit and credit card accounts and make purchases and payments from anywhere on the globe (Alagheband, 2006).

6. Automated Limited – service facilities

Even though full service branches still represent a very important channel through which financial firms communicate with their customers, electronic facilities and systems represent the most rapidly growing firm-customer link today. In truth, the most effective service delivery systems in use today appear to be multichannel-combining full service branches and electronic, limited service facilities within the same financial firm (Alagheband, 2006).

Information technology generates fundamental changes in the nature and application of technology in business. Information Communication Technologies (CORE banking) can provide powerful strategic and tactical tools for organizations including banks, which, if properly applied and used, could bring great advantages in promoting and strengthening their competitiveness. The proliferation of the different e banking tools like Internet, is a main stream communication media and as an infrastructure for business transactions has generated a wide range of strategic implications for businesses in general as well as for the banking industries in particular (Li-Hua and Khalil, 2006). Internet technology and web based commerce have dramatically transformed the banking in the decade (Werthner and Klein, 2005). Information and Communication Technologies (ICT)have always played a predominant role in the banking sector performance(Poon, 2003) but with the advent of the Internet and open source technology their effect is becoming increasingly more crucial and evident (Buhalis, 2004)

2.4 Non-financial Firm Performance

Non-financial firm performance is a multidimensional structure that consists of four elements: (i) customer-focused performance, including customer satisfaction, and product or service performance; (ii) financial and market performance, including revenue, profits, market position, cash-to-cash cycle time, and earnings per share; (iii) human resource performance, including employee satisfaction; and (iv) organizational effectiveness, including time to market, level of innovation, and production and supply chain flexibility. (Alam, Raza& Akram,2011)

2.5 Measuring Staff Productivity

With the unpredictable business environment and intense business competition, the companies are required to reach certain standards by improving their performance to align with such great demands; otherwise, a lot of problems will surface, including running the risk to close down the business. This performance relates to the firm or individual level which sees the human resource becoming the most determining factor to achieve the organizations objectives (Muda, Rafiki and Harahap, 2014). The concept of performance is something that interests and concerns everybody, whether it is the performance of a car, or individuals and teams in organizations. An employee who performs well is seen as one who achieves good results according to some pre-determined goals (Ojokuku&Sajuyigbe, 2012). Similarly (Imran, Maqbool and Shafique, 2014) concurred that a firms resource are extremely important for the firms development, and that human capital is a key resource of a firm.

High employee productivity positively affects a company's operational performance. However, if employees are not given the proper resources to do their job easily and efficiently, their productivity will suffer. Innovation technology is one way that employer can boost productivity.

According to (Dauda&Akingbade 2011) technological innovation rests on the creative ability of human being. Man has the capacity to use his knowledge to create new machines process and method that could enhance or improve the quality of goods and services. Technological advancement is important factor for influencing the improvement of performance. Imran (2014) concluded in his study that, technological advancement has significant effect on employee performance it means that as technology tend to be advanced, performance of employee enhanced.

Technological innovation such as, the use of computer automation and electronic banking influence speed of bank service delivery, enhanced management decision making and saving time (Dauda and Akingbade, 2011). He continued, there is evidence that a significant and positive relationship exit between technology innovation and banks employees' performance.

For instance, Electronic bank transfers have facilitated improved service delivery by employees, promotes customers retention and customers satisfaction. It is easier for employees to perform all these functions as a result of effect of technological innovation on them. (Ojokuku and Sajuyigbe, 2012), conclude that the introduction of electronic banking system in the banking sector has helped tremendously to improve the productivity of bank personnel, leading to efficiency and effectiveness in service delivery.

Many studies have identified varies variables or factors that affect employees performance in work place. (Saeed, Mussawar, Lodhi, Iqbal, Nayab and Yaseen, 2013 concluded that there are five factors which affect the performance of employees; managers attitude, organizational culture, personal problem, job content and financial rewards. Although, Muda, Rafiki and Rezeki (2014) found out job stress, motivation and communication as the three influencing factor of employee performance. He also noted that organizational performance can be evaluated by; quality, quantity, knowledge or creativity of individual and accomplished work in specific time.

Najeeb (2013) stated in his literature review that there are four different performance dimensions on which employee are measured named; quality, quantity, dependability and knowledge. According to (Mathis & Jackson 2009) Performance is associated with quantity of output, quality of output, timeliness of output, attendance on the job, efficiency of the work, and effectiveness of work completed.

2.6 Effect of Core Banking System on Organizational Performance

Conducted researches in foreign countries indicate that various indexes such as productivity, efficiency have been applied to evaluate the implementation of information technology systems special core banking IT services in the banks' economic performances. A sum of their findings can be explained in the following manner.

Alipour (2009) studied "The effects of using automation systems on human resource productivity (Case study of Mazda Yadak Comapay)". The results suggested that there is a strong direct relationship between efficiency and effectiveness. Similarly, Taqi Zadeh (2006) examined the effect of information technology on organizational effectiveness in the Organization of Libraries, Museums, and

Documents Center of Astan Quds Razavi. The results indicated that the employment of IT systems has increased the effectiveness of the organization.

Ombati, magutu & nyaoga (2010) concluded that direct relationship exist between technology and service quality in banking industry. If financial institutions use technology in their working it will result in better service quality as well as enhancing the productivity of employees.

Siam (2006) assessed the role of the electronic banking services on the profits of Jordanian banks, and concluded that electronic banking services negatively affect bank profitability in the short term, while they have a positive influence in the long term, since bank investments are all with regard to infrastructures and staff's training.

Geetha&Ramanarayanan (2013) study on the effect of Core Banking Services in SBM bank and clearly indicates that the customers were for the CBS because of its ease of operations, instantaneous, timely response and cost effectiveness. As CBS offers any time anywhere banking facility, customers are surely benefitted out of it and after the introduction of CBS the operational efficiency of banks has certainly improved.

Rono (2012) The purpose of his study was to: determine factors leading to replacement of core banking systems in commercial banks in Kenya; establish the challenges that commercial banks in Kenya encounter in the process of core banking systems replacement; and determine the effect of core banking systems replacement on bank performance and the Findings also indicated that replacing core systems has a significant positive effect on financial performance.

According to Shaukat and Zafarullah (2009) local banks in Pakistan are more committed to invest and use new technology than foreign banks. Their employees are able to produce more because new technology enables them to perform multi task. A user who is working on electronic fund transfer can simultaneously work on clearing or on account opening. User is not supposed to stop or close one transaction in order to complete the second one. Similarly, built-in security checks in system are the user to perform their functions without error.

Abdi et al. (2010) investigated the effect of new banking technologies on the organizations' agility. They did their research with the help of academics and banking experts. Findings of this study indicate that the staffs' knowledge and skills in the

application of new banking technologies have the most correlation with seven dimensions of flexibility, accountability, speed, integration and low complexity, core competencies, high quality, product improvement, and culture of change. Furthermore, the staffs' knowledge and skills are significantly associated with electronic banking indexes, widespread networks of information exchange between customers and bank, and aforementioned dimensions.

CHAPTER 3

THE PROFILE AND CORE BANKING PRACTICES OF MOB BANK

In this chapter, it includes studying in the core banking practices of MOB Bank. Before stating that, the profile of MOB Bank is studied including motto, vision, mission and services of MOB Bank.

3.1 Profile of the MOB Bank

Myanmar Oriental Bank Limited was incorporated as a private limited bank under the Financial Institutions of Myanmar Law and started its operations on 18th November 1993. Its founding members were prominent bankers retired from state-owned banks, family members holding the majority of shares, and their close friends and relatives from the business circle.

Over the past 26 years, the bank has played an important role in the stability and success of domestic banking in Myanmar by contributing its efficient and reliable banking services and promoting financial intermediation in the country. The bank accepts foreign currencies (USD, EUR, and SGD) as current accounts and Myanmar Kyat as current, call, savings and fixed deposits within its present banking network of 47 branches across the country. Additionally, the bank also provides banking facilities and other financial assistance to its customers in the form of commercial loans, trustee and remittance services.

Organization Structure of MOB Bank

MOB Bank's head office is formed with (14) departments. It is shown in figure (3.1). They are Risk Department, Banking Service Department, Marketing and Public Relations Department, Treasury Department, General Affair Department, Human Resource Department, Compliance Department, Credit Department, International Banking Department, Card & e-payment Department, Finance Department, Information Technology Department, Audit Department, Corporate Secretaries Department.

Type of Services in MOB Bank

The bank aim to provide as many financial services as possible for the convenience and satisfaction of bank's customer. The banks provide below valuable financial services for our valuable customers.

(1) Deposit taking in the forms of current, fixed, saving deposit and call deposit
(2) University Education Saving Scheme (UESS)
(3) Extension of commercial loan to business borrowers
(4) Trustee, telephone and electricity bill payment services
(5) Domestic remittance services
(6) International money transfer services
(7) ATM and POS debit card and credit card facilities
(8) International banking services

3.2 Core Banking Practices of MOB Bank

Regarding to advanced technology, the solution also integrates seamlessly with other third party applications. It is easy-to-integrate, scalable, enterprise wide solution that handle large transaction volumes at the right time through the right channels through a multi-location, multi branch network. It run automatically banking processes and provides best customer services at reasonable cost, operational efficiency and minimizing risks. With world class implementation and support expertise, the big business benefits are centralized setting and maintaining of product, interest and charges calculation, customer management, inward and outward remittance, administration system, Management Information System regulatory reporting, loans management, recovery management, audit reconciliation, third party payment settlement. Banks and other financial institutions are seeking to integrate banks among them in order to create groups banking with a larger side and a broader base at the local and international.

The advancement in technology especially internet and information technology has led to new era of doing business in banking. MOB Bank used this technology which has cut down time, working simultaneously on different issues and increased efficiency not only among the functions of the departments but also among its 47 branches around the country. The platform where communication technology

and information technology are merged to suit core needs of MOB Bank with this core banking system. By providing enough computers and networking system to MOB Bank branches, core banking system is doing all banking operations of branches and head office by connection to a central data center. By the uses of current computer software, they are developed to perform core operations of banking recording of transactions, passbook maintenance and interest calculations on loans and deposits, customer records, balance of payments and withdrawal are done. With this Temenos T24 core banking system, all accounts are migrated completely from the legacy system to the new core banking system; hence the new core banking system and legacy system do not coexist in the production environment. All users migrate to the new core banking system on a given date known as Go-Live date.

3.3 Implementation of Temenos Core Banking System Software in MOB Bank

Temenos T24 core banking system is currently used by MOB Bank and also used in Myanmar Citizen Bank, CB Bank and Myanmar Microfinance Bank. Temenos core banking system specializes in banking platforms, implementations and services that enable financial institutions to run their day-to-day operations and stay current with market demands. Temenos core banking system provides services for backend solutions in customer information management, deposits management, loans management, collateral management, leasing, and payment channel integration. Service provides for frontend solutions in account management, teller and branch frontends, loans decision engines.

MOB Bank implemented Temenos T24 international core banking solution integrated with business intelligence suite to support its growing operations at 10 April, 2018. Phase 1 of the project included the launch of wholesale banking operations on this system with migrated data from the bank's legacy system in a distributed branch setup environment to the new centralized core banking system. Phase 2 included all domestic banking become operational on the new core banking system. The implementation of core banking system processes mainly were mainly supported by MOB IT department which included data migration team, user support team, user access testing team and system security team. Data migration team migrated customer data from legacy system to new core banking system. User access testing team tested financial data and business reports. The implementation covers

features such as deposits and loans, general ledger, limits and collaterals, tellers, trade finance, security systems, business intelligence, card systems and online channels. System security team controls branch's network and core banking system security. User support team provides technical service support which users need.

The bank implemented a comprehensive core banking system implementation provides cost optimization and high efficiency along with enhanced customer and the system enables flexibility and scalability for future improvement. Core banking system helps not only bank's customer, it helps to the bank's employees because they can reduce manual processes and time, cost efficiency, provide convenient customer services, finish the assigned tasks on time. Thus, core banking system is a step towards enhancing MOB Bank's employees' work productivity and customer convenience.

CHAPTER 4

ANALYSIS ON THE EFFECT OF CORE BANKING SYSTEM ON NON-FINANCIAL PERFORMANCE OF MYANMAR ORIENTAL BANK

In this chapter, it was started with the analysis on demographic factors and the effect on non-financial performance by using core banking system in MOB Bank are analyzed.

4.1 Research Design

This study has the intent to identify the effect of core banking system on non-financial performance of MOB Bank. To do this, survey design is a descriptive method that were used in this survey. As a survey instrument, a structured questionnaire was used with two sections. They are that section one is demographic factors of the respondents such as Gender, Age, Education Background, Position, Service Length and section two is analysis on the effect of core banking system on non-financial performance of MOB Bank which are software utilization, work productivity, security and user friendly. Each factor was rated with five point Likert Scale ranging from strongly disagree '1' to strongly agree '5'. About (120) respondents who are MOB Bank's employees using MOB Bank's core banking system from (6) branches of Yangon regions and IT department were conducted to complete the survey questionnaires. After collection the required data, the data were analyzed by using the SPSS (Statistical Package for Social Sciences) software of version 22.

4.2 Demographic Factors of the Respondents

It is important to study the demographic factors such gender, age and education status of the respondents. This section data of demographic information collected from the questionnaires are interpreted and summarized in frequency and percentage distribution. The frequency analyses of respondents' demographic data are illustrated in tables.

Gender of Respondents

The respondents are not only females but also males. Table (4.1) shows the gender of respondents.

Table (4.1)

Gender of Respondents

Category	Number of Respondents	Percent
Male	76	63.6%
Female	44	36.4%
Total	120	100%

Source: Survey Results, 2019

As shown in Table 4.1, the sample consists of 76 (63.6%) males and 44 (36.4%) females. According the results, male respondents are higher than female respondents.

Age of Respondents

Ages of respondents are divided by five categories. They are – (1) less than 20 years, (2) 21 to 30 years, (3) 31 to 40 years, (4) 41 to 50 years, (5) 51 years above. Table (4.2) shows the frequency of age in year.

Table (4.2)

Age of Respondents

Age	Frequency	Percent
Less than 20 years	11	8.7%
21 – 30 years	47	39.1%
31 – 40 years	52	43.5%
41 – 50 years	5	4.3%
Above 51 years	5	4.3%
Total	120	100%

Source: Survey Results, 2019

According to the table (4.2), 52 respondents fall in the age group between 31 to 40 years, followed by 47 respondents fall between 21 to 30 years, 11 respondents

fall into less than 20 years, 5 respondents fall between 41 and 50 years and another 5 respondents fall into above 51 years respectively. In term of percentage, the age group 31 to 40 has the highest percentage share with 43.5% and the age group 41 – 50 and above 51 years have the lowest share with 1%.

Educational Status of Respondents

Although there are five categories of educational status in questionnaires: undergraduate, graduate, post graduate diploma, master and IT specialist certified. These are expressed in table (4.3).

Table (4.3)

Educational Status of Respondents

Education Background	Number of respondents	Percent
Under Graduate	5	4.3%
Graduate	52	43.5%
Post Graduate Diploma	16	13%
Master	42	34.8%
IT Certified	5	4.3%
Total	120	100%

Source: Survey Results, 2019

According to table (4.3), since the study is conducted with 120 respondents, among them 43.5% of respondents who graduate has the highest share and then followed by 34.8% of respondents are master, 13% of respondents are post graduate diploma, 1% are under graduate and rest 1% are IT specialist certified respectively.

Position of Respondents

Positions of respondents are divided by four categories. They are senior management level, middle management level, associate level, IT officer. Their percentage shares are expressed in table (4.4).

Table (4.4)

Position of Respondents

Position	No of respondents	Percent
Senior Management Level	10	8.7%
Middle Management Level	42	34.8%
Associate Level	47	39.1%
IT officer	21	17.4%
Total	120	100%

Source: Survey Results, 2019

From table (4.4), 39.1% of the sampled respondents are associates, 34.8% of the sampled respondents are middle management level, 17.4% are IT officer and remaining 8.7% are senior management level. Therefore, the majority of respondents are middle management level and associates level persons.

Service Length of Respondents

Service lengths of respondents are categorized into three groups which are below 5 years, 5-10 years and above 10 years respectively. They are expressed in table (4.5).

Table (4.5)

Service Length of Respondents by

Service Length	Frequency	Percent
Below 5 years	26	21.7%
5 - 10 years	73	60.9%
Above 10 years	21	17.4%
Total	120	100%

Source: Survey Results, 2019

From table (4.5), 60.9 percent of sampled respondents are between 5-10 years which is highest share. And then 21.7 percent of sampled respondents are below 5 years and followed by 17.4 percent are above 10 years which is the lowest share of sampled respondents.

4.3 Analysis on the Effect of Core Banking System on Non-Financial Performance of MOB Bank

In this section, interval scale measurement is used to measure the factors which effect on the non-financial performance by using core banking system in MOB Bank. Five effectiveness factors are used in analyzing the effect of core banking system used in MOB Bank. They are software utilization, productivity, security, user friendly and overall performance. All variables are measured via five point Likert scale ranging from strongly disagree (1) to strong agree (5). The (120) sampled respondents who are working in MOB Bank branches were asked to rate on the statements that describe their perception of effect using core banking system.

(1) Software Utilization of Core Banking System

According to software utilization factors, respondents are required to respond to five statements which are basically measured to find out the level of effectiveness through with social influencing factors. To rate these facts, five relevant statements are easy to use and navigate, free from error, production of high quality result, without failure under the condition and meet the expectation with system computerization.

Table (4.6)

Software Utilization of Core Banking System

No	Statement	Mean	Standard Deviation
1.	Core banking system is easy to use and navigate	4.10	0.30
2.	Core banking system is always updated when used, the results are free from error	4.15	0.36
3.	Core banking system enhances the production of high quality result	4.14	0.35
4.	Core banking system has ability to execute jobs without failure under condition	4.04	0.20
5.	Core banking system meets the expectation in terms of system computerization	4.08	0.28
Overall Mean		4.10	

Source: Survey Results, 2019

Table (4.6) presents the individual mean score of the five statements of software utilization factor. The maximum mean score 4.15 and standard deviation 0.36 was found in the statement of core banking system is free from error. The minimum mean score is 4.04 and standard deviation 0.20 were found on the statement of core banking system is ability to execute jobs without failure under the condition.

The overall mean score of the software utilization factor is 4.10. It can be assume that there is more efficient and effectiveness using core banking system in terms of software utilization according to the average agreement level of respondents results.

(2) Work Productivity of Core Banking System

Regarding to the productivity factors, respondents need to respond to ten statements which are basically measured to find out the level of effectiveness through with productivity factor. To rate the fact, these ten relevant statements are based on the facts of core banking system works has been faster, more accurate, effective, efficient and reliable, core banking system has enhanced and increased the quality and quantity of work, core banking system was able increase the productivity and eliminate the most of manual processes, core banking system are useful on the day-to-day bank routine and in decision making processes, reports from core banking system are free from errors, helps to complete a large number of tasks, helps to improve work continuously, helps to improve employees' efforts to learn more and apply new knowledge, reduce workload of employees, achieve greater flexibility in work after using system.

Table (4.7)

Work Productivity of Core Banking System

No	Statements	Mean	Standard Deviation
1.	Through the use of CBS, work has been faster, more accurate, effective, efficient and reliable	4.15	0.36
2.	The use of CBS has enhanced and increased the quality and quantity of work	4.10	0.30
3.	It was able to increase the productivity and eliminate most of manual processes.	4.20	0.40

4.	Reports generated from CBS are very useful on day-to-day bank routine and in making business decision	4.00	0.00
5.	Reports generated from CBS are free from errors	4.00	0.00
6.	Core banking system helps employees to achieve a large number of tasks.	4.05	0.22
7.	Core banking system helps employees to improve work continuously	4.05	0.22
8.	Core banking system helps employees to improve their effort to learn more and apply new knowledge.	4.00	0.00
9.	Core banking system helps to reduce workload of employees.	4.00	0.00
10.	Core banking system helps to achieve greater flexibility in work.	4.05	0.22
Overall Mean		4.06	

Source: Survey Results, 2019

Table (4.7) represents the individual mean score of the ten statements of productivity factors. The maximum mean score 4.20 with standard deviation 0.40 was found in the statement of the using of core banking system increase the productivity and eliminate most of manual processes factor. The minimum mean score 4.00 with no standard deviation were found in the statement of core banking system are useful on the day-to-day bank routine and in decision making processes, reports from core banking system are free from errors, helps to improve work continuously, helps to improve employees' efforts to learn more and apply new knowledge and reduce workload of employees after using the software. Overall mean score of productivity factor is 4.06. It can be concluded that effect on productivity factor from using core banking system are high.

(3) Security of Core Banking System

Regarding to the security factors, respondents are required to respond to five statements which are basically measured to find out the effectiveness level through security factors. To rate the fact, these five relative statements which are basically measure on the fact are confident that all bank data are protected and free from hackers, limited access or manipulation of data from outside system, malicious user

access, modify or destroy data within the usage of Core banking system, secure level of setting password policy in CBS and security level of vendor capabilities and credentials.

Table (4.8)

Security of Core Banking System

No	Statements	Mean	Standard Deviation
1.	Because of CBS, it is confident that all bank data are protected and free from hackers	4.14	0.35
2.	Through CBS, it has limited access or manipulation of data from outside system	4.18	0.39
3.	Malicious user access, modify or destroy data within the usage of Core banking system	3.87	0.60
4.	Setting Password policy in CBS is secure	4.08	0.68
5.	Vendor capabilities and credentials are efficient and secure	4.48	0.90
Overall Mean		4.15	

Source: Survey Results, 2019

Table (4.8) presents the individual mean score of the five statements of security factors. The maximum mean score 4.48 and standard deviation 0.9 was found in statement of core banking system is vendor capabilities and credentials are efficient and secure. The minimum mean score 3.87 and standard deviation 0.60 was found in the statement of malicious user access, modify or destroy data within the usage of core banking system. Overall mean scores of security factor is 4.15. Therefore, it can be concluded that effect using core banking system in terms of security are high.

(4) User Friendly of Core Banking System

Regarding to the user friendly factors, respondents are required to respond to five statements which are measured to find out the level of attractiveness through the user friendly factor. To rate the fact, these five relative statements which measure on the fact the core banking system are both external and internal users are satisfied with the output of CBS, core Banking system takes less time to learn various system processes and applications, core Banking system is simple to learn the system

processes and applications, core Banking system makes the job easy and simple, core Banking is user friendly and convenient for all users after using this software.

Table (4.9)

User Friendly of Core Banking System

No	Statements	Mean	Standard Deviation
1.	Both external and internal users are satisfied with the output of CBS	4.37	0.92
2.	Core Banking system takes less time to learn various system processes and applications	4.07	0.40
3.	Core Banking system is simple to learn the system processes and applications	4.32	0.91
4.	Core Banking system makes the job easy and simple	4.28	0.90
5.	Core Banking is user friendly and convenient for all users after using this software	4.59	0.90
Overall Mean		4.33	

Source: Survey Results, 2019

Table (4.9) presents the individual mean score of the five statements of user friendly factor. The maximum mean score 4.59 and standard deviation 0.90 was found in the statement of core banking system is confident that core banking system is user friendly and convenient for all users after using this software. The minimum mean score 4.07 and standard deviation 0.40 was found in the statement of core banking system takes less time to learn various system processes and applications. Overall mean scores of user friendly factor is 4.33. Therefore, it can be assumed that effectiveness using core banking system in terms of user friendly is high.

(5) Overall Effect of core banking system on MOB Bank

Table (4.10)

Overall Effect of Core Banking System

Sr.no	Statements	Mean	Standard Deviation
1.	Overall effect of software utilization	4.10	0.30
2.	Overall effect of productivity	4.06	0.17
3.	Overall effect of security	4.15	0.58
4.	Overall effect of user friendly	4.33	0.81
Overall Mean		4.16	0.47

Source: Survey Results, 2019

Due to table 4.10, results obtained from the analysis on the overall of core banking system, the maximum mean 4.33 with standard deviation 0.81 was found in the user friendly sector. It can be concluded that using core banking system, user friendly is the highest effect in the daily banking procedures. The mean 4.15 with standard deviation 0.58 was found in the factor of security of core banking system and the mean 4.10 with standard deviation 0.30 was found in the factor of software utilization on using core banking system. The minimum mean 4.06 with standard deviation 0.17 was found in the factor of productivity. However, those mean are higher than standard mean 3, it can be concluded that there has high effect of core banking system on non-financial performance of MOB Bank in general.

4.4 Analysis on Relationship between Core Banking System and Non-financial Performance of MOB Bank

Multiple regression model analysis is used to determine relationship between four independent variables and one dependent variable by calculating the regression. Multiple regression analysis provides result which is relationship between one dependent variable and other four independent variables and how relationship is positive or negative relation. The strength of relationship between dependent variable and independent variables is measured by the coefficient of determination (r). Accordingly, it can express effectiveness level of core banking system on software utilization, productivity, security and user friendly factor (independent variables).

Table (4.11)

Relation between Core Banking System and Non-financial Performance of MOB Bank

Independent Variable	Unstandardized Coefficients		Beta	t	Sig
	β	Std.Error			
Constant	.449	0.077		5.788	0.000
Software Utilization	0.196***	0.012	0.223	16.545	0.000
Productivity	0.223***	0.018	0.170	12.493	0.000
Security	0.250***	0.008	0.444	32.019	0.000
User Friendly	0.257***	0.005	0.611	44.350	0.000
R	0.991				
R Square	0.981				
Adjusted R square	0 .980				
F	1481.686***				
Sig	0.000				

Source: Survey Results, 2019

The above Coefficient table shows the multiple regression model that expresses the relationship between core banking system and non-financial performance of MOB Bank. The model is shown mathematically as follows; Y=a+bX, where y is the overall effect on MOB Bank, X is usage of core banking system efficiencies, a is a constant factor and b is the value of coefficient. From the above table, the model can be read as

Overall effect = 0.449+0.196*software utility+0.223*productivity+0.250*security+ 0.227*user-friendly

According to the result, four factors that effect of core banking system on non-financial performance are significant and R^2 is 0.98 so that it is strong. The F value of 1481.686 is significant at the 0.00 level. The R^2 for the model is 0.98 which indicates 98% of the variation in overall effect can explain by the variation of all factors. According to the results, user-friendly (β4 = 0.257) with 0.611 standardize coefficient has the greatest effect of core banking system on non-financial performance of MOB Bank. This can be explained as every unit increase in user-friendly will result an increase of 0.257 scores on non-financial performance holding other independent variables.

CHAPTER 5
CONCLUSION

This study explores the practices of core banking system which is used in MOB Bank and to explore the effect of core banking system on non-financial performance of MOB Bank. This study provides observation on current situation of using core banking system in MOB Bank and recommendation to improve by using core banking system.

5.1 Findings

In exploring the effect of core banking system, the study analyzed with the four factors of software utilization, productivity, security and user friendly of the core banking system. Mean values express the average of agreements by respondents. Finally, these analyses are discussed the finding of the factor that the effect of core banking system in MOB Bank. The overall mean scores of the user friendly is very much higher, it can be concluded that there is more effectiveness by using core banking system in terms of other factors according to the results of respondents' average agreement level.

The first analysis on the level of effectiveness using core banking system in MOB Bank is software utilization which was based on five statements. The scale level for each factor is considered in term of five point Likert Scale which are strongly disagree, disagree, neutral, agree and strongly agree. Among the different functions of software utilization factor in core banking system, system is always updated and results are free from error function is encountered with highest effectiveness level of agreement that core banking system is always updated when used, the results are free from error. Although core banking system has ability to execute jobs without failure under condition function is the minimum mean score, it is high and has a little standard deviation. Therefore, it can be concluded that most of respondents agree on system execution ability without failure under condition.

The second analysis on the level of effectiveness by using core banking system is productivity. The productivity factor was analyzed based on ten statements. The scale level for each factor was also considered in term of five – point scale, namely strongly disagree, disagree, neutral, agree and strongly agree. Overall mean

score of productivity factor is high. Therefore, it can be concluded that the effectiveness using core banking system in terms of productivity is high. Among the 10 functions in this factor, the statement present that it was able to increase the productivity and eliminate most of manual processes has obtained maximum mean value. The four functions named that reports generated from CBS are very useful on day-to-day bank routine and in making business decision, reports generated from CBS are free from errors, core banking system helps employees to improve their effort to learn more and apply new knowledge, core banking system helps to reduce workload of employees has obtained the minimum mean score than other six functions. However, their respective means also are high, it can be seen that the utmost of the respondents are agree on them because of no standard deviation.

Regarding to the third analysis on level of effect using core banking system in terms of security is based on the five statements. The scale level for each function is considered in term of five-point Likert scale, which are strongly disagree, disagree, neutral, agree, strongly agree. Overall mean score of security factors is very high. Therefore, it can be concluded that the effect of core banking system in term of security are high. Among the functions of security factor, the function named that vendor capabilities and credentials are efficient and secure has maximum mean value. Finally, it was concluded that respondents are highly confident on security level on vendor capabilities and credentials. Even for the minimum mean in that security functions, it was also encountered in the function of malicious user access, modify or destroy data within the usage of core banking system, the obtained mean score can be said not too much low. Therefore, it can be concluded that respondents are agree that malicious user access, modify or destroy data within the usage of core banking system.

In the fourth analysis on the level of effectiveness using core banking system is in term of user friendly which is based on five statements. The preference for each function is considered in term of five-point Likert scale, namely strongly disagree, disagree, neutral, agree and strongly agree. Overall mean score of user friendly factor is the highest overall mean among factors of effect of core banking system on MOB Bank. Among the functions of user friendly, the function named that core banking is user friendly and convenient for all users after using this software has obtained the maximum mean score. It was concluded that respondents are highly recommend that

core banking is user friendly and convenient for all users after using this software. Even for the minimum mean score in that user friendly function, it was also encountered in the function of core banking system takes less time to learn various system processes and applications, it has obtained mean score is high with a little standard deviation. Therefore, it can be concluded that respondents are highly agree that core banking system takes less time to learn various system processes and applications and there is little variation among the respondents.

5.2 Suggestions

Among the software utilization function, the function named that core banking system has ability to execute jobs without failure under condition is the minimum mean score comparing to the other functions, it could be suggested that MOB Bank should improve its core banking system execution ability. Regarding to the productivity function, four characteristics among ten characteristics of productivity are found to be weakness. They are reports generated from CBS are very useful on day-to-day bank routine and in making business decision, reports generated from CBS are free from errors, core banking system helps employees to improve their effort to learn more and apply new knowledge, core banking system helps to reduce workload of employees. Therefore, the management of MOB Bank should observe these functions to improve like other functions of productivity. However, this study found that malicious user can access, modify or destroy data within the usage of core banking system. Accordingly, it could be suggested that unauthorized access of the data and information stored in the system could result to information leakage and may impose a big issue in using core banking system. In order to prevent, the system administration team should systematically records for core banking users. In user friendly function, the function named that core banking system takes less time to learn various system processes and applications is the minimum mean score comparing to the other function, it could be suggested that management of MOB Bank should give more efficient training to bank staffs.

5.3 Needs for Further Research

This study is only cover exploring the factors which effect on non-financial performance of employees' side by using core banking system in MOB Bank by the four factors that software utilization, productivity, security and user friendly. The

study could not present all effects of core banking system on MOB Bank because of time limitation. Therefore, the other effect of core banking system such as financial and customer service quality in MOB Bank should be needed to observe.

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APPENDIX

THE EFFECT OF CORE BANKING SYSTEM ON NON-FINANCIAL PERFORMANCE ON MYANMAR ORIENTAL BANK

(QUESTIONNARIES)

Demographic Profile

1. Gender
    - Male
    - Female
2. Age
    - Less than 20 years
    - 21 to 30 years
    - 31 to 40 years
    - 41 to 50 years
    - 51 years above
3. Education Background
    - Under Graduate
    - Graduate
    - Post Graduate Diploma
    - Master
    - Other: ----------
4. Position
    - Senior Management Level
    - Middle Management level
    - Associate level
    - IT officer
5. Service Length
    - Below 5 years
    - 5 – 10 years
    - Above 10 years

The respondent needs to tick the selected rate number.

1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree

A. Software Utilization

Sr.no	Statements	1	2	3	4	5
1.	Core banking system is easy to use and navigate					
2.	Core banking system is always updated when used, the results are free from error					
3.	Core banking system enhances the production of high quality result					
4.	Core banking system has ability to execute jobs without failure under condition					
5.	Core banking system meets the expectation in terms of system computerization					

B. Productivity

Sr.no	Statements	1	2	3	4	5
1.	Through the use of CBS, work has been faster, more accurate, effective, efficient and reliable					
2.	The use of CBS has enhanced and increased the quality and quantity of work					
3.	It was able to increase the productivity and eliminate most of manual processes.					
4.	Reports generated from CBS are very useful on day-to-day bank routine and in making business decision					
5.	Reports generated from CBS are free from errors					
6.	Core banking system helps employees to achieve a large number of tasks.					
7.	Core banking system helps employees to improve work continuously					
8.	Core banking system helps employees to improve their effort to learn more and apply new knowledge.					
9.	Core banking system helps to reduce workload of employees.					

10.	Core banking system helps to achieve greater flexibility in work.					

C. Security

Sr.no	Statements	1	2	3	4	5
1.	Because of CBS, it is confident that all bank data are protected and free from hackers					
2.	Through CBS, it has limited access or manipulation of data from outside system					
3.	Malicious user access, modify or destroy data within the usage of Core banking system					
4.	Setting Password policy in CBS is secure					
5.	Vendor capabilities and credentials are efficient and secure					

D. User Friendly

Sr.no	Statements	1	2	3	4	5
1.	Both external and internal users are satisfied with the output of CBS					
2.	Core Banking system takes less time to learn various system processes and applications					
3.	Core Banking system is simple to learn the system processes and applications					
4.	Core Banking system makes the job easy and simple					
5.	Core Banking is user friendly and convenient for all users after using this software					