

Management Case

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Samartha Sahakari Bank Ltd., Kolhapur is a reputed Urban Co-operative Bank. Bank was established way back in 1972 and has got 15 branches located in the Kolhapur District. Farthest branch is 86 kms away from the Head office. Financial health of the bank is good and performance of the bank has been steady for last several years. People in the vicinity of Kolhapur consider it as one of the safest bank to deal with. Bank has got deposits worth 300 Crores and advances of Rs. 200 Crores. Bank was one of the leading bank in the district to start with computerization and it was done in 1998 using software developed by the local software vendor using COBOL/Btrieve platform. At present all the branches of the bank are computerized using the same software. At Head Office also few applications have been developed by the in-house team of computer department. These applications are running independently using FoxPro, Clipper or COBOL environment. Consolidation is done by way of collecting data from the branches through DAT or using CD media. However it takes around 8 days to collect the information from all 15 branches and consolidate the information.

Various guidelines from RBI in connection with the Risk management of the bank are demanding the availability of the necessary up-to-date information at the Head Office level. Such information is not available as the data is being collected through DAT / CD. The information available at present to the board members is at least 15 days old. Branch managers of various branches are satisfied with the level of computerization but have started getting requests from their customers to offer innovative deposit and advances products on the lines of commercial banks. Customers are also demanding to provide latest facilities such as ATM, ABB, Internet banking etc as few banks in the city have already started providing facilities such as utility bill payment services along with facilities such as ATM, ABB.

Discuss the limitations of present implementation of Information Technology at the bank and suggest what best can be done to meet the information requirements of controlling authority (internal & external) and to meet expectations of customers.
