

**The Impact of Information Systems on Efficiency: Evidence
from the Bank of Ceylon of Sri Lanka**

By

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(GS/MC/2364/2004)

**Thesis submitted to the University of Sri Jayewardenepura for
the award of the Degree of Master of Science in Management
on 31st December 2007.**

Declaration Statement

The work described in this thesis was carried out by me under the supervision of Dr. Sampath Amaratunge (Dean, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura), and a report on this has not been submitted in whole or in part to any university or any other institution for another Degree/Diploma.



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Supervisors' Declaration Statement

I certify that the statement made by the candidate is true and that this thesis has been accepted for submission to the University.

A handwritten signature in black ink, appearing to read 'Sampath Amaratunge', is written over a horizontal dotted line. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

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Abbreviations and Nominal Definitions

Abbreviation / Concept	Definition
BOC	Bank of Ceylon
ICBS	Integrated Central Banking System
IS	Information System
PBO	Personal Banking Officer (Front line officer in charge for opening)
Teller	Teller Officer (Front line officer in charge of handling money and cheque transactions.)
CBSL	Central Bank of Sri Lanka
Unisys	An Information System used prior to ICBS
Nixdorf	An Information System used prior to ICBS
Micro Banker	An Information System used prior to ICBS
et al.	And others. Origin Latin et alii (Oxford Reference Dictionary (2003))
FBA	Florida Bankers Association

Acknowledgement

First and foremost I must convey my greatest respects for the guidance and many words of encouragement that I got from my supervisor, Dr. S. Amaratunge (Dean, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura). I am very thankful to Dr. S. Amaratunge for all the information that he has provided in making this thesis a success.

Secondly I would like to thank Dr. P.D. Nimal (Coordinator, M.Sc. (Management) Program, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura), for all the support and guidance that he has provided.

Thirdly I would like to thank Mr. U. Kariyawasam (Former Chairman, Bank of Ceylon) for providing the permission to base my thesis on the Bank, and also I would like to extend a special thank you to Mr. P. J. Jayasinghe (AGM – Western Province (South), Bank of Ceylon) and I would like to acknowledge the AGM in charge of Information Systems of the Bank of Ceylon for all the help provided to analyse the IS and the banks requirements.

I would also like to acknowledge and specially thank Mrs. Sunethraanee Amaratunge (Senior Lecturer, Faculty of Management Studies, University of Kelaniya) for the kind words of encouragement and assistance extended to us to conduct my study successfully.

Last but not least I would like to thank my husband, parents, relations, fellow students within our study group and God for assisting me conduct this study.

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ABSTRACT

Banks are one of the world's largest investors in Information Systems and Information Technology, due to the reason that critical recording is required for all transactions and also since these records maintain money transactions of their most valued customers. This trend would continue to ensure safety and efficiency of banks. There is a Top Management concern in most banks that the said investments do not achieve its requirements. This same concern is evident for Bank of Ceylon. Therefore an empirical study was conducted to analyse the impact of IS on the efficiency of BOC. Six factors affecting efficiency were identified with the use of a scientific methodology and this was tested and analysed to establish validity and significance of the factors in terms of the BOC context with the use of five interview-based questionnaires focused on the five entities connected to the bank. The entities namely Staff Member, Manager, Senior Manager, Technical Manager, and Customer, and individuals from each entity were selected in the data collection and this data was analyzed to determine the impact to the objectives using a statistical tools. Hence the impact of IS on Efficiency in Bank of Ceylon is affected by the alignment between IS and business goals, top management's commitment to technology, role of IS in supporting organizational tasks, Efficiency measures used to identify the contribution of IS, Critical success factors, and background factors.