

IT Investment Decision Making: Case Studies on the Implementation of Contactless Payments in Commercial Banks of Kazakhstan

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Abstract : This research explores the practice of decision-making in commercial banks in Kazakhstan. It focuses on recent technologies, such as contactless payments and QR code, and uses interviews with bank executives and industry practitioners to gain an understanding of how decisions are made and the role of financial assessment methods. The aim of the research is (1) to study the importance of financial techniques to evaluate IT investments; (2) to understand the role of different expert groups; (3) to explore how market trends and industry features affect decisions on IT; (4) to build a model that defines the real practice of decision-making on IT in commercial banks in Kazakhstan. The theoretical framework suggests that decision-making on IT is a socially constructed process, where actor groups with different background interact and negotiate with each other to develop a shared understanding of IT and to make more effective decisions. Theory and observations suggest that the more parties involved in the process of decision-making, the higher the possibility of disagreements between them. As each actor group has their views on the rational decision on an IT project, it is worth exploring how the final decision is made in practice. Initial findings show that the financial assessment methods are used as a guideline and do not play a big role in the final decision. The commercial banks of Kazakhstan tend to study experience of neighboring countries before adopting innovation. Implementing contactless payments is widely regarded as pinnacle success factor due to increasing competition in the market. First-to-market innovations are considered as priorities therefore, such decisions can be made with exemption of some certain actor groups from the process. Customers play significant role and they participate in testing demo versions of the products before bringing innovation to the market. The study will identify the viewpoints of actors in the banking sector on a rational decision, and the ways decision-makers from a variety of disciplines interact with each other in order to make a decision on IT in retail banks.

Keywords : actor groups, decision making, technology investment, retail banks

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