

The Impact of Information System towards the Financial Performance of Government Banking Sector (With reference to Uva Development Bank)

H. M. J. D. B. Herath and D. N. N. Rohan

Uva Wellassa University, Sri Lanka

The primary purpose of this research was to identify the impact of information strategy in banking sector with reference to Uva development bank. The study aimed at testing a model to examine the effect of Information Strategy (IS) to the Financial Performance (FP) in the Uva Development Banks by using 10 branches. The study presents an analytical discussion and empirical *evidence of the relationship between information technology investment and FP. Data were collected by primary and secondary sources. Empirical evidence show that IS is having indirect, strong positive relationship with FP through organizational performances (OP). Further, the study reveals that organizational performances are highly depending on information strategy practices with service leadership. The study concludes that IS does not only affect financial performances but also other organizational practices such as increase service quality and offer fast and memorable service to customers.

Key Words: Information strategy, Financial Performance, Information Technology, Organizational Performances, Service Leadership, Information strategy practices