

Domesticating a Treasury Shadow IT Application in a Turkish Bank

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Abstract—Shadow information technology (Shadow IT) is defined as “hidden” IT solutions autonomously deployed in and managed by business departments to support their processes without alignment with IT departments. It has many issues concerning organizations with the occurrence of risks and inefficiencies. Meanwhile, its prevalence implies enhanced flexibility, adaptability, innovation, and performance for businesses to meet changing needs and diversifications facing complexity of today’s business environments. Considering its advantages and risks together, it is necessary to control Shadow IT and its effects in organizations. To control Shadow IT applications, it is possible to see that organizations produce their own specific ways to control the Shadow IT instances. As an example, Kuveyt Turk Participation Bank has developed its own customized solution to one of the major Shadow IT instances, IT treasury application. The customized solution includes separation, allocation, and assurance of responsibilities between business and IT units. This case study presents the factors for the Shadow IT application occurrence in the bank, possible risks the application bears, the conversion project from Shadow IT to business IT, major challenges and solution approach applied, and further possible courses of the application (such as the possibility of turning from business IT to Shadow IT or from Shadow IT to parallel IT). Finally, the study delivers implications from the most challenging issues and the experiences obtained from the case, to give further insights to organizations in similar contexts.

Keywords— *banking, finance, management control, covert, information system, information technology, business IT*