

A Study On The Eco Bank A New Type of Innovative Banking – with Special Reference to Jose Adolfo Quisocola’s Bartselana Student Bank

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Abstract

This paper studies and shows how a boy from Peru bought out a unique idea to start a bank. The bank does not only start with an innovative idea but also runs on an innovative process as well and this paper throws light on it. How the bank was organized and how it is flourishing in the society with a difference making individuals life economically independent and protecting the limited resources that is in our nature. How a bank is giving financial as well as environmental education through its own business rules and regulations.

KEYWORDS: Innovation, idea, finance, bank, eco bank, business model.

INTRODUCTION

The history of banks deals with accepting deposits and lending loans but times are changing and the same old traditional function by a bank will not do much for the bank or for the society in which the bank is operating, thus banks have to redefine their role as well as their goal of operation in the economy. There are people who are able to sense this change and accordingly get in idea for innovating the business in various formats to survive and thrive in the world. This time it’s a boy who has turned up the talent of his mind to innovate the business of banking with a different purpose and role. Though initially he dint find much support later he did find success and his business is growing at a rapid speed.

LITERATURE REVIEW

Herrera, A. M., & Minetti, R. (2007). Informed finance and technological change: Evidence from credit relationships shows the role of financial institutions in bringing out innovation in the society and it also shows the innovation comes when much is invested.

Benfratello, L., Schiantarelli, F., & Sembenelli, A. (2008). Banks and innovation: Microeconomic evidence on Italian firms found that banking development increases the process of innovation in smaller firms and high tech firms leading to a financial development.

Capgemini (December 2016) studied, “Top 10 Trends in Banking – 2017”, with the aim to understand and analyse the trends that are expected to drive the dynamics of the

banking ecosystem in the near future and highlighted the growing tendency of banks focusing on innovation, by leveraging new technologies.

STATEMENT OF THE PROBLEM

The world is going towards money and its only focus is on money and nothing else. In this given situation money and money making has to take care of much of the things in this world where people are not aware of nature or of the money's future and there is a need to find a answer for this issue.

OBJECTIVES

1. To find and construct the model of inspirational idea to start a banking business.
2. To find the innovations in the bank.

SCOPE OF THE STUDY

This research paper focuses and studies only the idea of a young entrepreneur Jose adolfo quisocola from peru and his way of innovation in banking business in Peru and how it is influencing and the society.

METHODOLOGY

The research is a case study and is based on secondary data from various websites and internet sources.

CASE STUDY

At an age where children play in the ground without having any worries about the future or about the finances, a boy of age 7, Jose adolfo quisocola was learning to save money for buying things for his essentials in life.

This quality of his lead to an innovative idea of starting a bank at that age of 7 and today The Bartselana Student Bank is the world's first cooperative bank for kids established in the year 2012 with 200 members in the bank.

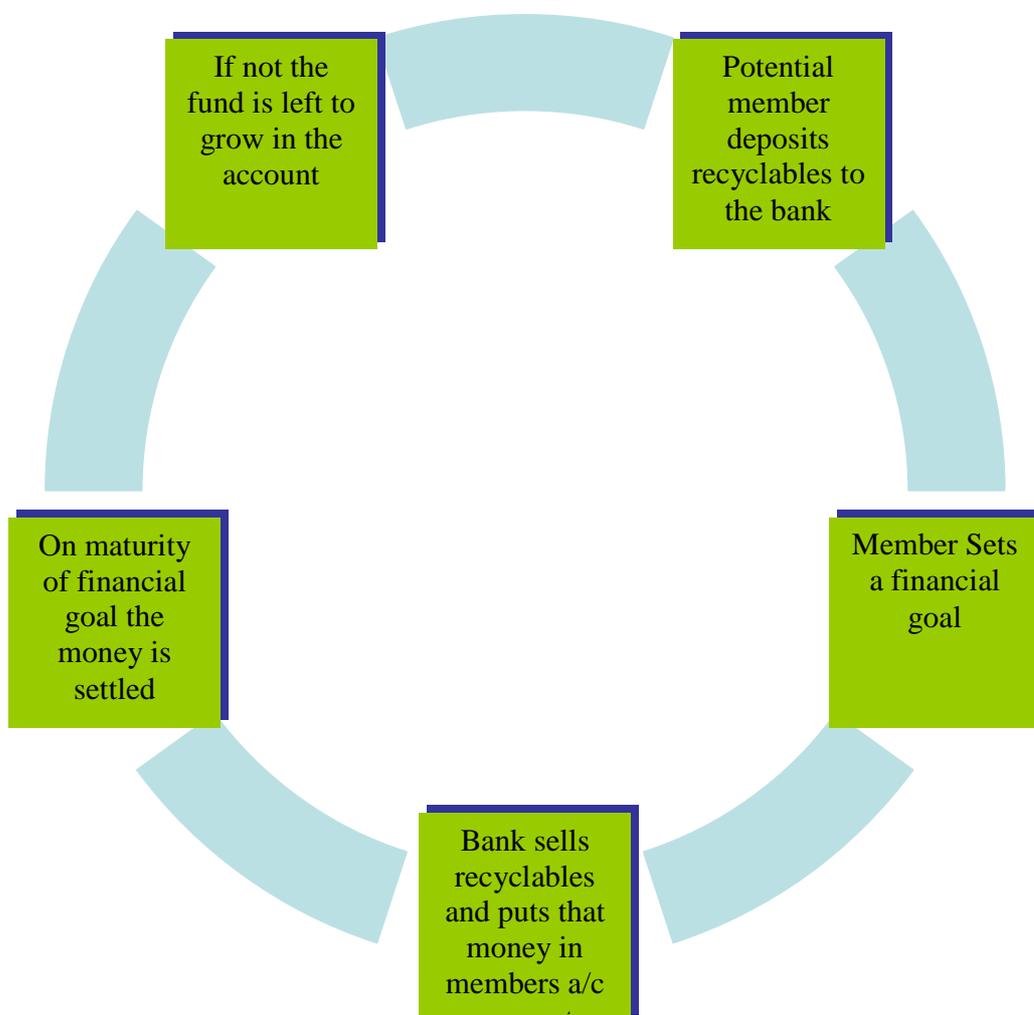
To become a member of this bank one has least 5 kilograms (11 pounds) of solid waste, it can be paper or plastic and establish a savings goal. Once this is accepted by the bank, and then all bank "partners" are required to deposit at least one additional kilogram (2.2 pounds) of recyclables on a monthly basis and comply with other requirements for being the member of the bank, such as attending financial education and environmental management workshops.

Then the waste or recyclables accumulated is sold to local recycling companies, who, thanks to some clever negotiation by Jose, pay a higher-than-market rate for everything brought in by Bartselana Student Bank members. The funds received, are placed in the individual's account where they collect until his/her savings goal is reached. The account

holder can then withdraw his/her money, or choose to leave it and continue to grow for a bigger target.

Bartselana Student Bank had over 200 members by 2013 and the bank had collectively brought in one ton of recyclable waste. From that moment bank has started only on the path of improvement

Today, the bank which can be termed has eco bank, has the support of several local institutions, and boasts ten educational centers. They are designed to teach the over 3,000 clients, aged 10-18, to become economically independent, invest wisely, and help the environment. On December 6, 2018, in response to the growing demand, Bartselana Student Bank began accepting applications from kids all across Peru.



THE INNOVATIVE BUSINESS MODEL OF BARTSELANA STUDENT BANK

FINDINGS

1. Jose idea for starting a bank was in protecting the environment and spreading financial awareness.
2. This bank did not accept money as deposits but accepted recyclable resources for membership.
3. Innovation was not in banking products but banking itself was an innovation.
4. This Banks teaches the basics of financials to the members
5. Bank functions in setting financial goal for its members and helps in achieving it.
6. Bank is reducing wastage and creating wealth through recycling.
7. Bank is not profit oriented but its orientation is in creating member's wealth and protecting nature's health.

SUGGESTIONS

1. Banks can focus on innovating its business activities itself.
2. Banks have a larger role in building a society's future and nature.
3. Banks should focus on core financial activities.
4. Banks have to start their business for a different purpose.
5. Banks have to teach people the real money matters.
6. Larger banks can join hands with such innovative activities to have bigger impact.

CONCLUSION

Banks are not here only related to but have various other purposes which the banks should look into. Jose idea links the economy and nature together and thus making people aware of environmental problems and helping individuals to economically become independent through that awareness and building sustainable development in true sense. If larger banks in the world can include this kind of activities in their business to atleast one percent this world shall really become a better place to live naturally as well as economically.

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