

[API Initiatives at Banks Held Back by Bureaucracy, Survey Shows](#)

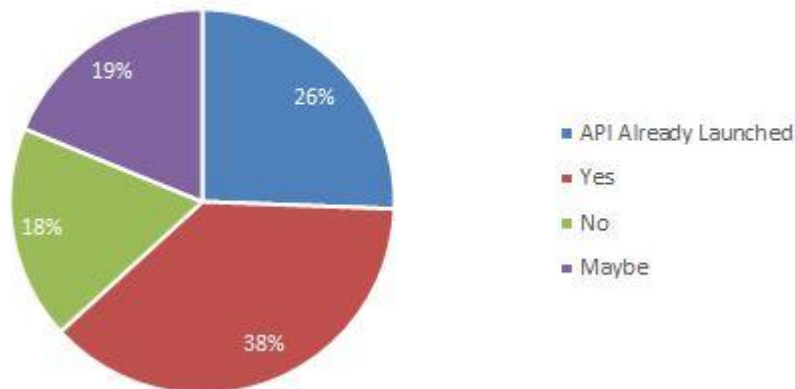
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APIs — application programming interfaces — allow banks to create ecosystems of innovative products and technologies. Sounds good — but what prevents banks from launching initiatives to open their APIs?

According to new research from **Bank Innovation** and the OpenBankProject, the primary obstacle is corporate culture and bureaucracy. More than 62% of the 133 respondents to a survey conducted by **Bank Innovation** and the OpenBankProject cited this as a problem, followed by 50% of respondents who said security was a concern. Technology was not a concern — fewer than 25% of respondents called tech an obstacle.

And, yet, bankers are enthusiastic about launching API projects: 37.6% of respondents say their bank is considering the launch of an API in the next 12 months, while 25.6% say their bank already has an API initiative. Just 18% said their bank did not plan to begin an API initiative in the next year, and 18.8% answered “Maybe.”

Will Your Bank Introduce an API?



Source: Bank Innovation/OpenBankProject

Of those Maybes, one respondent noted an initiative was planned, but doubted it would happen in the next 12 months, while another noted the intransigence of “old” bank executives.

Simon Redfern, founder of the OpenBankProject, recently presented the survey findings at an API conference in Berlin. His slides are [here](#).

“Not a lot of banks have open APIs now,” said Zach Perret, co-founder of Plaid, which builds APIs for banks, told **Bank Innovation** last week. “But they will get better.”

The reason has nothing to do with bank bureaucracy or technology.

“Consumers will demand it,” Perret said.