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Managers' Perception of Financial Innovations in Turkey

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Abstract

Innovation is often considered a key contributor to firms' competitiveness. However, its success largely depends on manager's willingness to accept an innovation. The purpose of this study is to examine managers' perceptions on financial innovation and the factors that influence their adoption decisions. Using the Technology Acceptance Model (TAM), the study analyzes data collected from a sample of 500 firms in Turkey. The findings show that managers are more likely to adopt financial innovations that are perceived to be easy to use and accessible. Gender, age and level of education are observed to have significant impact on managers' perception. For example, female managers are likely to be risk averse when making financial innovation decisions than male managers. Younger managers tend to test the innovation before fully implementing it and are more concerned about accountability for the success or failure of the innovation. The results also indicate that accessibility, ease of use, risk and accountability are crucial factors influencing managers' perception on financial innovations. Finally, this research contributes to the literature on financial innovation and provides valuable insights for managers in Turkey to make informed financial innovation decisions.

Keywords: *Financial Innovations; Innovation; Managerial Perceptions; Socio-economic; Turkey*

1. Introduction

Financial innovation plays a crucial role in addressing challenges within the financial market (Philippon, 2016). One significant benefit of financial innovation is the reduction of investment risk and transaction costs (Eichholtz and Erkan, 2015; Moskal and Zawadzka, 2014). These innovations can modernize processes, increase efficiency, and improve transparency, thereby create a favorable environment for investors.

Despite its multifaceted advantage, financial innovation faces several barriers that affect its adoption. For example, Joanna (2020) identifies financial, knowledge, market, institutional and

psychological factors such as resistance to innovations or negative attitudes towards them as factors that impact their acceptance and use. The adoption of financial innovations can also be influenced by factors such as level of education, experience of managers, and level of competition in the industry. In line with this notion, a study by Rita and Ana (2008) found that domestic firms with more educated managers are more likely to adopt financial innovations.

Although several studies emphasize the importance of leadership in adopting technology and improving firms' competitive advantage (e.g., Choi et al., 2016; Jia et al., 2018; Ritala et al., 2018), there is limited study that explore the relationship between demographic factors and managers' perception on the adoption of financial innovation. Given that managers play a critical role in making strategic decisions, their view on financial innovation is essential. Using a sample of 500 companies in Turkey, this study examines how managers' perception and their demographic trait affect their decision-makings regarding financial innovations adoption.

The results show that level of educational, age, and gender are likely to impact managers' perceptions on financial innovation. The findings also indicate that accessibility, ease of use, risk and accountability are crucial factors influencing managers' perception on financial innovations.

The study is significant for several reasons. First, it helps identify the factors that influence managers' perceptions on financial innovations, which can assist firms in understanding what factors affect the behavior of managers in their financial innovation decision making. Second, the study provides insights into the interaction between demographic and psychological factors in influencing manager's decision-making on the adoption of financial innovation, which can inform company board of directors about the importance of having a management team composed of diverse group of people. Finally, the study fills a gap in the existing literature by focusing on the interaction between demographic and psychological factors in affecting the manager's financial innovation decision-making. The study contributes to the extant research by providing empirical evidence on the importance of gender, age and level of education in shaping manager's financial innovation decision making.

The paper is organized as follows: section 2 discusses the review of the literature, section 3 explains the methods of data collection and analysis, section 4 covers the discussion and analysis of results, and section 5 provides the conclusions.

2. Literature Review and Hypothesis Development

The innovation literature uses various theories, such as planned behavior theory, reasoned action theory, technology diffusion theory, technology acceptance model, and unified view models, to explain the factors that affect the use of technology by customers. Among these theories, the technology acceptance model, proposed by Davis (1985), is widely used to explain technology acceptance at the firm level. The model assesses user behavior in terms of their attitude and intention to use new technology, which is dependent on the user's perception of the technology's usefulness and ease of use. It emphasizes that behavioral intention to accept new technology significantly impacts the actual behavior of the user (Davis, 1985).

Recent studies, such as Hu et al. (2019), Joo, Park, and Lim (2018), Raquel, Mónica and Gustavo (2021), Vuković, Pivac and Kundid (2019) and, Yang and Yoo (2004), have also used the technology acceptance model to explain the level of acceptance of new innovations by firms. The theory posits that the adoption of innovation takes time due to existing social systems, and users need to be convinced that the innovation is indeed new compared to what they previously used. As a result, some users adopt innovation earlier, and others follow suit. Some users prefer to observe the success of the innovation from other users to ensure there is little risk in adopting it (López-Nicolás, Molina-Castillo & Bouwman, 2008; Agag & El-Masry, 2016).

In this study, we use the Technology Acceptance Model (TAM) to investigate the factors that influence managers' adoption of new financial innovations. To measure managers' perception, we use a set of variables that are well-established in the literature, including accessibility, relative advantage,

trialability, observability, risk, ease of use, attitude, accountability, and transparency. We then link the perception factors with the demographic characteristics of managers to explore whether demographic traits are important in shaping managers' decision making.

Several studies consider socio-demographic characteristics as significant factors influencing managers' decisions (e.g., Franque, Oliveira & Tam, 2021; Tang et al., 2021; Venkatesh & Morris, 2000). These characteristics include age (e.g., Packalen & Bhattacharya, 2019; Olson et al., 2011; Parsons, 2015), gender (e.g., Black et al., 2001; Croson & Gneezy, 2009; Venkatesh & Morris, 2000) and educational level, among others (e.g., Abor, 2005; Anderloni et al., 2009; Bátiz-Lazo & Woldesenbet, 2006).

Age plays an important role in influencing managers' attitude and perception regarding the adoption of financial innovations. Extant literature indicate that old managers are likely to resist an adoption of financial innovation due to being accustomed to traditional financial practices and a natural aversion to change (Packalen & Bhattacharya, 2019; Parsons, 2015). In addition, Bara et al. (2016) indicate that older managers are likely to view financial innovations as risky, impacting their perception to adopt them. Conversely, younger managers tend to be more open to exploring and adopting new tools and technologies due to their familiarity and comfort with using technology (Allen, 2012; Packalen & Bhattacharya, 2019; Parsons, 2015). Likewise, Abor (2005) find that younger customers have more positive perceptions towards technological innovations in banking.

On the other hand, Abor (2005) depict that age may not necessarily impact adoption of new innovations. For example, older managers who often experience technology in their work or life are more likely to be willing to adopt new financial innovations as they will accept it as a natural progress. In addition, due to their long years of experience, older managers are likely to support the adoption and implementation of new financial innovations within their organizations (Anderloni et al., 2009). Furthermore, Bara et al. (2016) show that age can interact with other factors, such as organizational culture and leadership, to influence managers' attitudes towards the adoption of new financial practices. Thus, while age may initially seem to be negatively associated with the perception to adopt financial innovation, its impact may depend on other variables such as cultural and organizational factors. Therefore, we hypothesize that:

H1: There is no significant relationship between the age of managers and their perception of adopting financial innovations.

Similarly, gender plays a significant role in shaping managers' perceptions and attitudes towards the adoption of financial innovation. Gender diversity in managerial roles is one of the widely discussed area of research in the business literature related to risk management and managerial decisions. Several studies suggest that gender diversity has a significant impact on managerial decisions related to risk-taking and innovation, indicating that women tend to exhibit more risk-averse behavior compared to men in financial decision-making. (e.g., Faccio, Marchica & Mura, 2016; Gulamhussen & Santa, 2015; Wan-Ci & Wu-Po, 2022). This risk aversion might influence their perception of financial innovations, leading to a more cautious approach. Likewise, Croson and Gneezy (2009) emphasize that women prefer less risk compared to men, and this difference in risk preference is likely to significantly impact managers' perception to adopt financial innovations. Similarly, Black et al. (2001) in their study on the adoption of online financial services show that woman tend to have different preferences and attitudes towards online financial services. Furthermore, Hoang, Nguyen and Tran (2019) findings on the risk-taking behavior of female CEOs compared to their male counterparts show that female CEOs tend to be more risk-averse, which could impact their willingness to adopt financial innovations. Therefore, it is hypothesized that:

H2: There is a negative relationship between gender and manager's perception to adopt financial innovations.

In addition to age and gender, level of education is considered as an important determinant of managers perception on financial innovations adoption. Higher levels of education are often associated with greater exposure to new ideas, information, and technologies, resulting in better understanding of complex issues and financial instruments, thereby influence their perception towards the adoption of financial innovation (Anderloni et al., 2009; Bátiz-Lazo & Woldesenbet,

2006; Franque et al., 2021). Likewise, several extant studies indicate that there is a positive correlation between level of educational and the willingness to adopt financial innovations (e.g., Bara et al., 2016; Duca, Muellbauer, & Murphy, 2010; Bátiz-Lazo & Woldesenbet, 2006; Redmond, 2013). On the other hand, managers with lower level of educational background are likely to be skeptic and resist the adoption of new financial innovations (Abor, 2005). However, Beck et al. (2016) state that the positive correlation between education and adoption of innovation argument may not always be true. They argue that although it is true higher education level helps managers improve their ability to understand and evaluate new innovations, however, other factors such as risk aversion of the manager, institutional factors, types of education (science degree versus non-science degree), and organizational culture can impact the perception of managers to adopt financial innovation. Therefore, we predict that:

H3: There is no significant relationship between educational level and managers' perception to adopt financial innovation.

3. Research Methods

This study investigates managers' perceptions of financial innovation using a survey questionnaire. The sample of the study is composed of randomly selected 500 managers working in various types of companies listed in the Istanbul Chamber of Commerce. These managers include those in financial, accounting, treasury, and procurement positions. The questionnaire is designed in line with the work of Black et al. (2001) and, Park and Chen (2007), where a set of constructs to measure perception, including accessibility, relative advantage, trialability, observability, risk, ease of use, transparency, accountability, and attitude are included. In addition, the questionnaire includes four questions to measure behavioral intention. The behavioral intention construct is used as the dependent variable in the OLS regression model presented in Table 8. The questionnaire uses a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

The sample respondents consist of 355 (71%) male managers and 145 (29%) female managers. Majority of managers (42.2%) fall within the age range of 35-45 years old, and only a small percentage (1.8%) were 25 years or younger. In terms of educational status, 357 (71.40%) managers hold a bachelor's degree, 113 (22.60%) hold a master's degree, and a few (0.80%) have a doctoral degree.

Table 1: Demographic characteristics

ITEMs	No. of respondents	Percentage (%)
Gender		
Male	355	71
Female	145	29
Age groups		
No value	4	0.80
25 and under	9	1.80
25 and 35	154	30.80
35 and 45	211	42.20
45 and 55	109	21.80
55 and above	13	2.60
Education		
No value	5	1
Doctorate	4	0.80
MS	113	22.60
Bachelor	357	71.40
High school	21	4.20
Revenue (Turkish Liras)		
No Value	7	1.40
1000 and 2000	12	2.40
2000 and 3000	52	10.40
3000 and 4000	67	13.40
4000 and 5000	91	18.20
5000 and above	271	54.20

The questionnaire comprises 51 questions, with 8 related to the respondents' demographic characteristics and 43 related to the managers' perceptions. The 43 perception-related questions are grouped into 9 constructs to measure the managers' perceptions of financial innovation, as shown in Table 2.

The following table reports the measurement of the financial innovation variable and the contribution of each component to the overall perception of managers towards financial innovation. Each construct was formed by combining the scores of three questions. The managers' perception score was calculated based on the 9 constructs, where a higher score indicates a greater positive perception of the importance of financial innovations to firms.

Table 2: Description of variables

Variable	**Symbol**	**Measure**
Perceived accessibility	*ACCESS*	Managers' perception about how financial innovations – new financial products, services and systems are accessible to their firm.
Perceived relative advantage	*REL-ADVTG*	The degree of managers' perception on the advantage of adopting new financial products, services, or systems in their firm.
Perceived trialability	*TRAILBLTY*	Managers' perception on the importance of experimenting a new financial product, service, or system before fully implementing it.
Perceived observability	*OBSERV*	The managers' perception on the extent of observability of financial innovations to other users.
Perceived risk	*RISK*	The degree of managers' perception on the extent of risk that firms face when they adopt new financial innovations.
Perceived ease of Use	*EASE OF USE*	The degree of managers' *perception on* how easy is to use the new financial products, services, or systems.
Perceived attitude	*ATTITUDE*	The degree of managers' positive attitude towards the adoption of new financial products, services, or systems.
Perceived accountability	*ACCOUNTBL TY*	To what extent a manager is accountable for introducing new financial products, services, or systems.
Perceived transparency	*TRANSPRNCY*	The managers' perception as to what extent is transparency important in adopting financial innovations in a firm.

To assess the relationship between manager's demographic characteristics and financial innovation perception, we use an Ordinary Least square (OLS) regression model. In addition, to test the differences in financial innovation perception between groups clustered by gender, age and educational level, we use a non-parametric descriptive statistics tool such as Wilcoxon rank-sum test. Furthermore, we employed a Pearson correlation matrix to assess the relationship between the variables used in the study.

4. Discussion and Analysis of Findings

Table 3 shows the descriptive statistics for the constructs used to measure the perception of financial managers towards financial innovations.

The Kurtosis values suggest that managers tend to give significant emphasis to the Accessibility, Relative advantage, and Attitude constructs when making decisions about adopting financial innovations. This is consistent with previous research that highlight the importance of these factors in shaping managers' perceptions of innovation adoption (e.g., Rogers, 2003).

Table 3: Descriptive statistics

Variables	**Obs.**	**Mean**	**Median**	**STDEV**	**Kurtosis**	**Skewness**	**Min**	**Max**
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ACCESS	500	3.391	3.333	0.472	1.356	0.034	1.667	5.000
REL-ADVTG	500	4.475	4.667	0.489	1.136	-0.992	2.333	5.000
TRAILBLTY	500	2.819	2.667	0.536	0.437	0.705	1.667	5.000
OBSERV	500	3.508	3.667	0.633	0.574	-0.025	1.000	5.000
RISK	500	3.829	3.667	0.661	0.399	-0.275	1.667	5.000

Variables	Obs.	Mean	Median	STDEV	Kurtosis	Skewness	Min	Max
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
EASE OF USE	500	2.971	3.000	0.523	0.275	0.481	1.667	5.000
ATTITUDE	500	3.962	4.000	0.594	1.295	-0.590	1.000	5.000
ACCOUNTBLTY	500	3.458	3.333	0.538	0.554	0.328	1.667	5.000
TRANSPRNCY	500	3.359	3.333	0.705	0.015	0.026	1.000	5.000

The mean and median values for all constructs are above 2.5 out of 5, indicating that managers generally perceive all factors as important when considering whether to adopt a new financial technology. However, the Skewness results indicate that managers tend to focus less on the observability and risk associated with innovations. However, it is important to note that ignoring risk factors can lead to negative consequences for firms, so it is crucial for managers to carefully weigh the potential risks and benefits of financial innovations before adopting.

Table 4: Correlation matrix

	GENDER	*AGE*	*INCOME*	*EDUC*	*ACCESS*	*REL-ADVTG*	*TRAILBLTY*	*OBSERV*	*RISK*	*USEFULNESS*	*TRANSPRNCY*	*ACCOUNTBLTY*
GENDER	1											
AGE	-0.148***	1										
INCOME	-0.176***	0.417***	1									
EDUCATION	0.003	-0.071	0.123***	1								
ACCESS	-0.011	0.069	0.003	-0.029	1							
REL-ADVTG	0.022	-0.006	0.085*	0.037	0.095**	1						
TRAILBLTY	0.048	-0.097**	-0.197***	-0.023	-0.047	-0.058	1					
OBSERV	0.019	-0.063	-0.059	-0.044	0.224***	0.174***	0.008	1				
RISK	-0.112**	0.029	0.064	0.041	0.123***	0.265***	-0.022	0.270***	1			
EASE OF USE	0.022	-0.006	-0.171***	-0.129***	0.117***	-0.062	0.162***	0.048	0.026	1		
TRANSPRNCY	-0.032	-0.023	-0.038	0.012	0.126***	-0.055	0.116***	0.040	0.120***	0.146***	1	
ACCOUNTBLTY	-0.056	-0.096**	-0.100**	-0.018	0.074	0.114**	0.126***	0.169***	0.213***	0.104**	0.201***	1
ATTITUDE	0.014	-0.072	-0.041	-0.010	0.136***	0.162***	-0.021	0.131***	0.186***	-0.001	0.041	0.181***

*** Significant at 1% level, ** Significant at 5% level and * Significant at 10% level. (2-Tailed).

Table 4 reports the Pearson correlation matrix for the variables used in the analysis. We find that gender is negatively associated with perceived risk, indicating that male managers tend to perceive less risk when making decisions compared to female managers (e.g., Gulamhussen & Santa, 2015; Hoang et al., 2019; Faccio, Marchica & Mura, 2016; Wan-Ci & Wu-Po, 2022).

The negative correlation between age and, trialability and accountability is consistent with prior research that shows younger people are more likely to adopt technology than older people (e.g., Ahern & Dittmar, 2012; Allen, 2012; Packalen & Bhattacharya, 2019; Parsons, 2015). This result emphasize that younger managers tend to be more willing to experiment new financial innovation before fully implementing it and are more likely to take accountability for its success or failure. Similarly, we find a negative relationship between ease of use and education. This finding is consistent with Bara et al. (2016) and Redmond (2013), which suggest that highly educated managers tend to be more comfortable with complex technologies and are less concerned with the ease of use of new innovations. Furthermore, the positive impact of transparency and positive attitude on the accessibility of financial innovations is supported by previous studies that highlight the importance of trust and positive perceptions in the adoption of new technologies (e.g., Venkatesh et al., 2003).

Table 5: Test of significance difference by gender

Variables	Male		Female		Z-value
	Mean	Median	Mean	Median	
	(1)	(2)	(3)	(4)	(5)
ACCESS	3.395	3.330	3.384	3.330	0.248
REL-ADVTG	4.469	4.670	4.492	4.670	-0.188
TRAILBLTY	2.802	2.670	2.859	3.000	-0.903
OBSERV	3.500	3.330	3.527	3.670	-0.298
RISK	3.876	4.000	3.713	3.670	1.858**
EASE OF USE	2.964	3.000	2.989	3.000	-0.434
ATTITUDE	3.957	4.000	3.974	4.000	-0.442
ACCOUNTBLTY	3.477	3.330	3.458	3.330	1.213
TRANSPRNCY	3.374	3.330	3.359	3.330	1.101

Note: Column (5) report the z-values for the Wilcoxon rank-sum test results. A significant Z-value indicates that there is a significant difference in managers' perception towards financial innovation between male and female managers.
*** Significant at 1% level and ** Significant at 5% level.

Table 5 presents the results of the Wilcoxon rank-sum test, a non-parametric test, to assess whether there are significant differences in the perception of male and female managers towards financial innovation. The use of this test is appropriate for our non-normal data. Our findings suggest that there is no significant difference in the perception of managers by gender, except for the RISK variable, where the z-value is significant at the 5% level. This indicates that female managers tend to be more cautious about risk when making decisions related to financial innovations than male managers. This result is consistent with recent studies that emphasize the risk-taking differences by gender, indicating that females tend to be more risk-averse than males (e.g., Faccio et al., 2016; Hoang et al., 2019; Wan-Ci & Wu-Po, 2022).

Table 6: Test of significance difference by educational level

Variables	Bachelor & lower		Masters & above		Z-value
	Mean	Median	Mean	Median	
	(1)	(2)	(3)	(4)	(5)
ACCESS	3.401	3.330	3.385	3.330	0.282
REL-ADVTG	4.472	4.670	4.485	4.670	-0.247
TRAILBLTY	2.827	2.670	2.786	2.670	0.645*
OBSERV	3.517	3.670	3.479	3.330	0.872
RISK	3.824	3.670	3.858	4.000	-1.617**
EASE OF USE	2.999	3.000	2.903	3.000	2.003**
ATTITUDE	3.953	4.000	3.986	4.000	-0.273
ACCOUNTBLTY	3.461	3.330	3.444	3.330	0.233
TRANSPRNCY	3.353	3.330	3.379	3.330	-0.113

Note: Column (5) report the z-values for the Wilcoxon rank-sum test results. A significant Z-value indicates that there is a significant difference in managers' perception towards financial innovation between managers who hold bachelor's degree and lower, and those who hold master's degree and above.
*** Significant at 1% level and ** Significant at 5% level.

In Table 6, the Wilcoxon rank-sum test was used to examine the differences in managers' perception towards financial innovation by educational level. The results indicate that managers with a bachelor's degree or lower tend to prefer an innovation that is easy to use and has lower risk. These findings are consistent with prior research on the relationship between education level and risk-taking behavior (e.g., Anderloni et al., 2009; Franque et al., 2021).

Table 7: Test of significance difference by age

Variables	≤ 35 years old		>35 years old		Z-value
	Mean	Median	Mean	Median	
	(1)	(2)	(3)	(4)	(5)
ACCESS	3.366	3.330	3.406	3.330	-0.932
REL-ADVTG	4.491	4.670	4.467	4.670	0.493
TRAILBLTY	2.869	3.000	2.793	2.670	1.971**
OBSERV	3.513	3.670	3.504	3.330	0.429
RISK	3.857	4.000	3.820	3.670	0.902
EASE OF USE	2.957	3.000	2.981	3.000	-0.345
ATTITUDE	3.957	4.000	3.935	4.000	1.746*
ACCOUNTBLTY	3.546	3.670	3.418	3.330	2.858***
TRANSPRNCY	3.419	3.330	3.336	3.330	1.130

Note: Column (5) report the z-values for the Wilcoxon rank-sum test results. A significant Z-value indicates that there is a significant difference in managers' perception towards financial innovation between managers who are 35 years old or younger, and those who are older than 35 years.
*** Significant at 1% level and ** Significant at 5% level.

Table 7 presents the results of the Wilcoxon rank-sum test to compare the perception of managers towards financial innovation across two age groups: 35 years and younger, and over 35 years old. The results show that younger managers have a higher tendency to experiment with new financial innovations (TRAILBLTY) before implementing them fully. This finding is supported by prior literature, which suggests that younger individuals are more willing to take risks and are open to experiment new ideas (Packalen & Bhattacharya, 2019). Moreover, younger managers tend to be risk averse and focused on accountability when adopting new financial innovations compared to their older counterparts.

Table 8: OLS Regression results: Behavioral intention as a dependent variable

Variables	*Coefficient*	*Standard error*	*t-value*
	(1)	(2)	(3)
ACCESS	0.083	0.046	2.284**
REL-ADVTG	0.063	0.048	1.584
TRAILBLTY	-0.095	0.039	-2.694***
OBSERV	0.066	0.035	1.746*
RISK	0.137	0.034	-3.584***
EASE OF USE	0.370	0.047	8.253***
ATTITUDE	0.122	0.038	2.741***
ACCOUNTBLTY	0.121	0.041	3.265***
TRANSPRNCY	-0.023	0.030	-0.630

*** Significant at 1% level, ** Significant at 5% level and * Significant at 10% level.

Table 8 presents the Ordinary Least Squares (OLS) regression results using behavioral intention of the manager as the dependent variable. Our results reveal that managers' perception towards financial innovation is significantly and positively related to ACCESS, as indicated by the significant positive t-value for the ACCESS variable in column (3). This suggests that managers are more likely to adopt new financial innovations when they perceive that the innovation is accessible to their firm. This finding is consistent with the findings of Rogers (2003) who emphasizes the importance of accessibility in determining innovation adoption.

In addition to ACCESS, we find that the EASE OF USE, ATTITUDE, and ACCOUNTBLTY variables are significantly and positively associated with managers' perception to adopt new innovations. This implies that managers who have a positive attitude towards innovations and perceive that the innovation can be easily used are more likely to adopt innovations. Similarly,

managers who perceive greater accountability for their decisions are more likely to adopt innovations. Our results align with prior studies that argue the significance of perceived ease of use, attitude, and accountability in driving the decision-making on the adoption of innovation (Venkatesh et al., 2003). On the other hand, we find that perceived TRAILBLTY and RISK are significantly and negatively associated with managers' behavioral intention to adopt new technologies. The negative coefficients suggest that managers are less likely to adopt an innovation if it has high perceived risk or requires experimentation before fully implementing the innovation. As a result, managers aim to minimize costs related to trail and potential failure, and thus prefer innovations that have low perceived risk.

5. Conclusions

In today's competitive market, innovation is considered a crucial tool to enhance firms' competitive advantage. The constant innovation in the finance industry has led financial innovation to be a topic of extensive discussion in the literature. This paper contributes to the literature by investigating the interaction between managerial perception and demographic features, and their role in influencing managers' decision-making on the adoption of financial innovations, using evidence from selected firms in Turkey.

The study provides several key findings. (1) the positive attitude of managers towards the future benefits of the financial innovation and potential risks that firms may face if the innovation is adopted are crucial factors that managers must consider when making financial innovation decisions. (2) younger managers prefer to experiment new innovations before fully implementing them and they tend to be more careful about accountability for the success or failure of the innovation. (3) the study shows that compared to male managers, female managers are more thoughtful about the risks involved when making financial innovation decisions. (4) managers with lower educational levels prefer to adopt innovations that are easy to use and have lower risk.

The findings of this study draw implications for both managers and policymakers. Managers should be aware of the factors that influence their outlook on financial innovation and how it affects their decision-making. Policymakers should be mindful of the risks that financial innovation involve and be prepared to take necessary measures to mitigate them.

By providing new insights into the factors that shape managers' perception of financial innovation and how it impacts their decision-making, this study contributes to the existing literature on financial innovation. However, this study is limited to Turkey and has not examined industry differences in terms of financial innovation adoption. Therefore, it would be helpful if future research could further investigate the perception of managers towards financial innovations and examine if there are differences by industry, country, or region. Further research in these areas could provide a deeper understanding of the factors that influence financial innovation decisions and lead to better financial innovation strategies for firms.

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