

## Abstract

The performance of commercial banks is changing due to the technology improving day by day. The purpose of this study is to highlight the challenges that are derived from Adoption of online banking. The engage of the five European countries with a period of study from 1999 – 2010 to adoption of online banking is the core idea of this study. The empirical analysis would employ data obtained from 22 commercial banks from the following countries: United Kingdom, Germany, Czech Republic, Latvia, and Poland. We want to show that the adoption of online banking increase the bank performance indicator. With the application of the Instrumental Variable concludes that adoption of Online Banking is negatively related with three bank performance indicators as: Return on Equity (Roe), Return on Asset (Roa) and Margin (Mrg) as a main fault to global financial crisis.