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THE ROLE OF DIGITAL TECHNOLOGIES IN THE BANKING SYSTEM

Abstract. The role of modern digital technologies in the development of the banking system is comprehensively revealed. The necessity of using digital technologies in banking is substantiated. It is noted that automation and optimization of business processes can be considered the main measures to optimize the costs of a financial institution. Directions for the introduction of information technologies in banking activity are systematized according to several features, namely: creation of corporate computer systems; sale of banking services on the Internet.

Keywords: digital technologies, banks, banking activity, digitization, internet banking.

Theses materials. On January 17, 2018, the Cabinet of Ministers of Ukraine approved the Concept of Development of the Digital Economy and Society of Ukraine for 2018-2020 and approved the plan of measures for its implementation. This Concept was developed by the Ministry of Economic Development and Trade with the involvement of leading specialists in the field of IT technologies. In our opinion, this Concept is the basis of the digital transformation of the economy of Ukraine in general and the banking system in particular [1].

The main factors affecting the process of digital transformation (digitalization) are the following [2]:

1. Formation of the concept. At the beginning of the transformation, it is worth determining the main directions of one's own development. First of all, you need to build a strategy, define goals, resources and those processes that need to be changed first. In order to hastily implement the idea, it is necessary to practice each step in sufficient detail and consider all business processes in order to effectively modernize them.

2. Personnel. According to sociologists, only 4% of workers in Ukraine are ready for digital transformations and experiments, and 88% want to leave everything unchanged, adhering to models developed over the years. Therefore, we see that most of the staff resist changes, trying to fail the innovation.

3. Outdated technologies. In the conditions of digitalization, companies should abandon old technologies that take up time and resources and gradually adapt to newer methods of doing things.

The banking system of any country consists of banks, institutions, complex relations between them, supplemented by relations with the global financial market and the world economy. As intermediaries in the redistribution of financial resources through the transformation of temporarily free funds into investments, banks significantly increase the overall efficiency of production, contribute to the mobilization of a sufficient amount of financial resources, the receipt of income, etc. [2].

Digital banking, overcoming spatial and temporal obstacles of economic activity, provides online access to financial services and implementation of the client's growing financial needs without actual physical access to a banking institution through remote identification.

The network of commercial banks of Ukraine emerged and began its intensive development in the early 1990s. The emergence of a large number of banking institutions and the transition to market relations led to the emergence of the problem of using modern information technologies in the activities of banks.

It is impossible to solve all these problems without the use of computer technology, modern software products and communication tools. Therefore, today there is not a single bank that does not use modern information technologies in its activities.

In order to maximize the profit of a banking institution, it is necessary to rationally manage the bank's expenses, aimed at reducing them.

Thanks to modern digital technologies, every bank has real reserves to reduce administrative and other operational costs.

In particular, they include: personnel costs, as well as related costs for paying taxes, fees and payments, costs for maintaining intangible assets, telecommunications and other operational services, as well as related costs for amortization of intangible assets, other expenses. The largest share of administrative expenses is occupied by staff maintenance expenses. Automation and optimization of business processes can be considered the main measures to optimize costs for the financial institution's personnel, which will allow restructuring of the bank's organizational structure taking into account the priority goals and tasks of the business with the corresponding reduction of its redundant personnel.

To increase the speed of transactions, every bank should develop Internet technologies. The development of such technologies will help the bank attract new customers, speed up operations, and improve the quality of customer service.

Due to the constant increase in competition in the banking sector and the aggressive growth rate of competition, each bank must look for new, more promising ways to increase the density and quality of interaction with customers.

The use of advanced technologies in customer service will allow the bank to rationally allocate its resources, minimize costs, improve customer service and improve the quality of services.

With the transition to electronic data processing and electronic payments, customers' interest in various forms of electronic banking services increases.

In 2021, Internet banking is commonplace for every ordinary Ukrainian. Let's turn to the history of its appearance in Ukraine and make a short retrospective analysis of this service. When Internet banking for individuals appeared in Ukraine, few people knew what it was. Privatbank was the first to offer this system and had to explain to clients the equivalence with service at the bank's cash registers, and the only difference is the method of payment - via the Internet: payment for utilities, telephone and Internet is possible without going to the bank on the client's website from his card accounts, and it is also possible transfer of funds to friends and relatives. But the public was not immediately interested in the innovative service, so it was used either by VIP clients or Ukrainians who are actively working on the world wide web.

With the growing influence of digitalization technologies on the development of banking activity, it is inevitable that the staff of banks will be reduced, their professional composition will change, and new modern requirements for their knowledge, skills and abilities will be created. Zastrozhnikova shows that the number of people employed in the financial and insurance activities of Ukraine is decreasing from year to year. However, as the scientist notes, it is too early to talk about the significant impact of digitalization on the number of people employed in the economy of Ukraine. After all, such a trend is observed in other types of economic activity, in particular, in education, art and public administration, where a decrease in the number of employed people is also observed. Therefore, it is possible to draw a conclusion about the general tendency to reduce the employed population, which is connected, in particular, with migration processes and the demographic crisis [3].

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