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DIRECTIONS FOR IMPROVING REMOTE BANKING SERVICES IN COMMERCIAL BANKS

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ABOUT ARTICLE

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Abstract: The article discusses ways to improve remote banking services in commercial banks. In particular, the analysis of factors influencing the provision of remote banking services by banks was carried out, directions for improving remote banking services based on individual author's approaches were studied, and relevant scientific proposals and practical recommendations were developed.

INTRODUCTION

The financial and economic stability of the country depends to a large extent on the banking system and their effective operation, the quality of the provided banking services and the state of facilities created for the provision of services to the customers, and the bank pays constant attention to their opinions and conducts the practice of providing banking services on the basis of this. Also, in order for banks to operate efficiently, the quality of the services provided by the banks has increased, first of all, it is necessary for the banks to study the customer market and provide banking services based on their demand. is considered The services provided by banks directly serve to satisfy a number of needs.

These are production needs (expanding production through bank credit, ensuring continuity of production through a system of settlements with suppliers and buyers) and personal needs (meeting other needs at the expense of income from assets, by keeping money and other wealth in deposits or in a bank safe to ensure safety, to have interest income from them, etc.) may be. But all the mentioned needs cannot be satisfied directly with banking services. Banking services do not satisfy primary production and personal needs, but their derivative financial needs.

This intensifies the competition among credit institutions to sell their products and services, fighting for customers' funds. During the years of independence, the banks of Uzbekistan achieved sufficient formation of their services. However, the competition between banks encourages them to take a new approach in order to attract additional customers and expand the scope and quality of services. Commercial banks must provide services to customers based on the requirements of the times, using new technologies, and creating convenience for customers. One of the important requirements in the interbank competition market is considered Otherwise, the bank may lose the fight for the customer.

Banks achieve their goals by constantly analyzing the types and quality of remote services provided to clients.

The Main Findings and Results

From today's point of view, the future will stimulate the activities of banks operating on the basis of digital (online) banking services. In order to further improve the mechanisms for ensuring the protection of the rights of consumers of remote services of commercial banks and to increase the level of financial openness, taking into account the trends of innovative development, 23 2018 In March, the Resolution of the President of the Republic of Uzbekistan No. PQ-3620 "On additional measures to increase the popularity of banking services" was adopted, in which the issues of ensuring the increase in the popularity of banking services and the protection of the rights of consumers of banking services were separately noted.

It was also noted that these issues are one of the main tasks of the Central Bank of the Republic of Uzbekistan and that the protection of the rights of consumers of banking services, whose main tasks are to ensure the protection of the rights and legal interests of consumers of banking services, to increase financial openness and the level of financial literacy of the population and business entities, has been established. In particular, from July 1, 2018, commercial banks will have unimpeded access to the territory of direct customer service without prior authorization and identity documents, receive initial advice from the administration staff on the initial reception of customers, the step-by-step process of making a decision on granting a loan (microloan) and A number of tasks have been defined, such as creating conditions for transparent registration and consideration of credit orders, indicating the procedure for granting a loan (microloan) or rejecting it with justification and aims to strengthen public confidence in the banking system by improving mechanisms for effective protection of creditors' interests.

In addition, according to the decision, "As a result of the ongoing reforms, market mechanisms for providing services have been introduced in the banking system, their types are expanding, and financial openness for entrepreneurs and residents is increasing. New banking services have been introduced to facilitate the implementation of currency exchange operations for the population, opportunities have been created for individual entrepreneurs to purchase foreign currency [1], it was noted. Based on the above, we can say that today remote banking services and relations related to them are constantly studied and improved.

Literature review

A number of domestic and foreign economists have studied some issues related to ways of improving remote banking services in commercial banks. For example, one of the foreign economists, L. V. Tatarinovic, interpreted retail banking services directly as "retail banking business" and said, "The distinguishing feature of retail banking business from corporate business is the establishment of individual, personal relationships and the implementation of the concept of "client-manager" [2] - stated that. In fact, by studying the demands and wishes of the customers as much as possible, the offer of services on favorable terms by the banks will serve to increase the number of customers of the bank in the future and this, in turn, will increase the source of the bank's income. that business means an independent, prospective direction of development of banking activity, and its purpose is to provide services and sell products by banks to the majority of the population [3]. In fact, considering that the main goal of commercial banks is to make a profit, the more customers they serve, the more profit they can make.

In order to achieve this goal, it is appropriate for every commercial bank to implement its activities based on a well-designed strategy. The provision of high-quality banking services is one of the most important directions of banks' activities. This is a significant part of the activity of commercial banks and a factor in the growth of the banking sector. This direction is manifested in the method and source of attracting resources, as well as in the correct deployment of resources by banks in order to obtain a positive financial result, that is, profit.

According to P.V.Akinin, V.P.Akinina, I.O.Alimova, the interest of the population and the economy in banking services, especially remote banking services, is increasing year by year. Banks' attention to this type of business is related to the expansion of their activities, as well as the desire to increase and increase retail portfolios [4]. Of course, the provision of services by banks using new technologies and simplified methods serves to reduce banking costs, increase interest in the bank, and strengthen the bank's position in the interbank competition market. is the direction. Remote banking began nearly two decades ago when Nottingham Building Society, the British telephone company British Telecom and the Bank of Scotland joined forces to create a new technology, Homelink.

This was a qualitative leap in the development of remote banking technologies [5]. According to N.S. Kozyr and A.V. Getmanova, the development of remote services by banks was influenced by the increase in the number of people actively using paid communication services, as well as the improvement and development of communication channels. The most important remote banking service is "Internet-banking", through which customers can carry out various types of operations independently, wherever they want [6].

Due to the development of remote banking services over time, today's users have the opportunity to use the type of service that is suitable for them at any time. Also, according to Mohammad Sharif Sulaiman, Naser Abdel Karim, the development of technology leads to the improvement of banking activities, services and efficiency, so all commercial banks should adopt this approach and use E-Banking services to attract, retain and develop their customers [7].

Development of banks' activities, improvement of service quality and increase in efficiency, providing banking services on the basis of new technologies will directly lead to a decrease in bank costs, which, in turn, will lead to an expansion of the practice of using resources by banks. it is important to introduce, including creating a mechanism to encourage the introduction of financial services based on relatively inexpensive electronic digital technologies, to offer convenient services for bank customers and residents of our country by dramatically increasing the number of service equipment (payment terminals, infokiosks and ATMs) operating 24/7 is important [8].

According to a group of scientists led by A.R. Norov, today's ti in the Republic The main activity of the banks is aimed at introducing innovative banking products. Increased competition due to the pandemic has led banks to introduce the latest business process management technologies, as well as automated decision-making systems [9]. Innovative banking products are an important tool in managing a commercial bank in competitive conditions. Also, innovative banking products and services are important for commercial banks in ensuring economic growth and competitiveness.

Research methodology

In the article, a systematic analysis of the literature was carried out in researching the issues of improving remote banking services in commercial banks. Also, the scientific conclusions of the scientific research works carried out by foreign and local scientists in this direction were studied and independent approaches were formed. In the article, statistical data analysis covers 5 years (2017-2021) and trends are analyzed.

Analysis and discussion of results

In the strategy of reforming the banking system of the Republic of Uzbekistan for 2020-2025, the task of “wide introduction of remote services for the population and small businesses” is defined, taking into account that by providing remote banking services, banks not only increase their income, but also serve to improve the standard of living of our people. It shows the wide range of measures that should be implemented in remote banking services today. From this point of view, the quality of services by commercial banks and the formation of banking services based on the requirements of the times should be in the center of constant attention. Of course, the level of banking services and their use by customers is also important here. If we pay attention, with the passage of time people's world view, thinking, level of using new technologies will improve. Therefore, it is necessary for banks to increase the number and quality of modern services based on new technologies and to provide timely information about this to clients. We can see this in the increasing number of bank cards issued over the years.

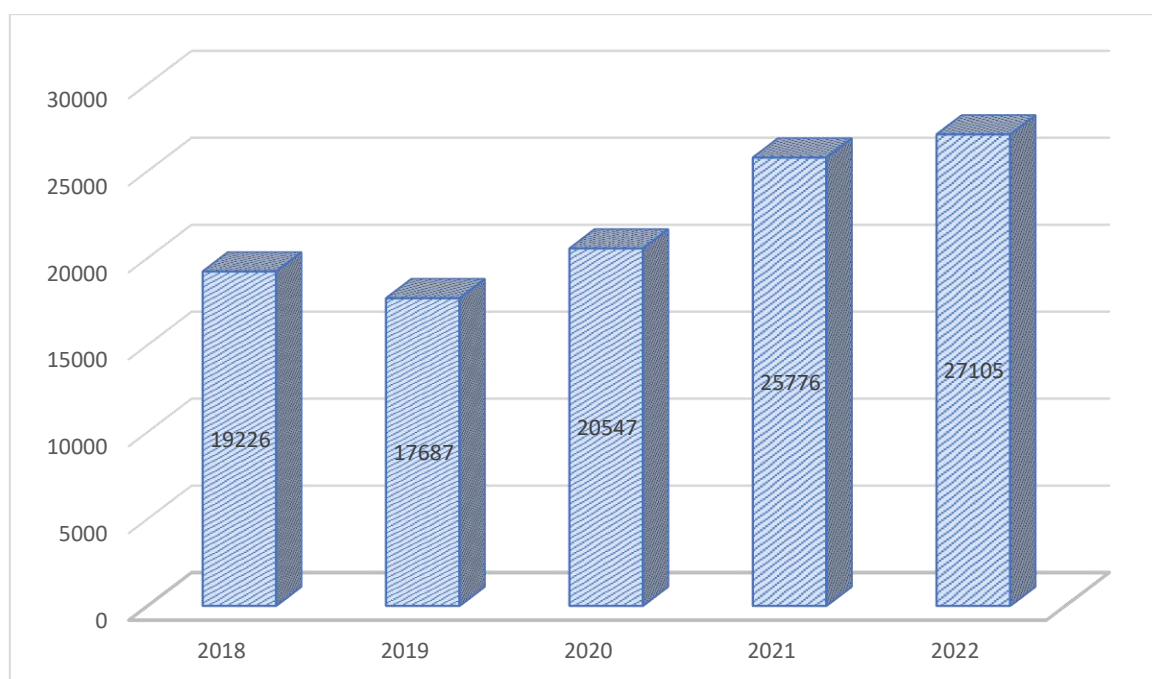


Figure 1. Number of issued bank cards, [10] (thousands)

25.8 million bank cards issued in 2020 as a result of large-scale campaigning by banks and official organizations to the population and business entities about the increasing level of financial literacy of the population and the possibility of using remote banking services. 1.3 million units in 2021. increased to 27.1 million by the beginning of 2022. increased to a grain.

We believe that the provision of banking services by specialists of commercial banks to residents and business entities, including advice on the economic relations between the client and the bank, will have a number of positive effects for both the bank and the client in the future. In order to achieve this, it would be appropriate for the banks to establish financial literacy centers. That is, the banks determine the main areas of activity of financial literacy centers and give advice based on this. Depending on the client’s desire to use which bank service, theoretical and practical information on this bank product should be explained in a simple and understandable way.

Systematic advice to residents and entrepreneurs on new, modern remote banking services by commercial banks, as well as on economic relations with the bank, development of short-term and long-term plans for increasing financial literacy, constant control over the execution of tasks defined in

tactics and strategy establishing, paying attention to the issues of providing services to clients based on special approaches, and discussing the achievements of the client as a result of using these advices after being given financial advice will definitely serve to increase the level of financial literacy in banking activities in the country.

A number of conveniences and opportunities are being created for customers to use remote banking services. The introduction of electronic money systems in the market of payment services lays the groundwork for the further development of cashless settlements and remote banking services and the creation of additional opportunities for users of payment services. The popularity of electronic money is increasing due to several conveniences, in particular, advantages such as quick disposal of funds and the absence of the need to open a bank account.

CONCLUSIONS

In the process of carrying out this scientific research, the following conclusions and suggestions were formed. Including:

Improving the quality of remote banking services in commercial banks and establishing "financial literacy centers" that serve to ensure timely repayment of online loans and introducing them into the practice of banks will have a positive effect on the development of remote banking services.

Implementation of the "customer's mind" mechanism for the development of remote banking services in commercial banks based on the continuous study and analysis of the remote banking services of the commercial banks of our republic will serve to offer a wide range of services based on the requirements of the times by the banks in the future. This, in turn, leads to an increase in customer confidence in the bank, an increase in the number of customers, and an increase in the bank's income.

The provision of banking services by commercial banks through mobile applications directly serves to reduce banking costs. In particular, it is possible to increase the attractiveness of the bank's online credit services due to the application of the practice of setting interest rates differentiated according to their term when issuing online loans through mobile applications. This creates a basis for improving remote banking services in commercial banks.

Development of banking activities by studying international experiences and summarizing analytical data, especially expanding the introduction of new technologies in the field, achieving the development of remote banking services due to the acceleration of digitization processes is one of the urgent tasks facing banks today.

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