



CORPORATE TRANSFORMATIONS OF THE BANK: ESSENCE AND MAIN DIRECTIONS

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Abstract: This article notes that in the context of the transformation of the bank, the increasing requirements for the provision of system network services are multi-channel, efficiency, transparency, accuracy stimulate the introduction of innovative technologies. The article notes that this principle is reflected in the use of a client-centric model by banks in developed countries, which implies the creation and organization of all business processes in the interests of a corporate client. On the basis of the study in the field of banking transformation under the influence of the global environment, the regularities and specifics of the development of financial institutions, in particular the bank, in the conditions of a structural shift in society as a whole, were revealed.

Key words: bank, commercial bank. banking, banking concepts, bank integrity, bank transformation, banking services, basic banking services, banking service drivers, digitalization of banking services, organization-centric model, client-centric model, reference model, integrated business model, global environment.

Introduction. In the context of globalization, institutional events and their economic consequences, the transition to an innovative way of life, the burden of the regulatory burden and increased market competition challenge financial and credit organizations. The key factor of modernity, which determines the paradigm shift in the activities of financial and credit institutions, in particular banks, is the changed needs of customers. According to the Roadmap for reforming the banking system of the Republic of Uzbekistan for 2020-2025, commercial banks are being transformed and the state's share in them is being sold. An important, priority area is the introduction of new digital products to improve the quality and speed of banking services [1].

In the modern world, digital - Internet technologies do not stand still, for example, it is predicted that by 2025 60% of the world's economic entities will simultaneously use five or more wireless technologies. In such a situation, wireless networks will become a source of direct value for business, including for the bank [2]. In this context, the universal activity of banks requires an expansion of the range of services and leads to the introduction of such banking operations as factoring, forfeiting, leasing, trust, and others, which are related to the intermediary operations of commercial banks.

During 2018–2022 the top ten countries that have the highest achievements in the field of digitalization and are ready for digital changes in the future remain practically unchanged: the USA, the Nordic countries, Switzerland, the Netherlands, Singapore. Developing countries represent Hong

Kong, Taiwan and UAE¹. In particular, in 2022, of the 10 largest banks in the world - Chinese. For example, Industrial and Commercial Bank of China Limited (ICBC) is the largest bank in the world. Through their continuous efforts and stable development, Chinese banks have become the world's leading banks with excellent customer base, diversified business structure, strong innovation capability and market competitiveness.

Today, within the framework of the new concept of providing universal services, banking structures, being a kind of intermediaries, must decide and offer the entire range of services the client needs, not limited to financial transactions.

That is why a systematic analysis of the banking sector, the search and construction of a model for their transformation that meets the best international standards, but adapted to national characteristics, which will increase competitiveness and strengthen their positions in the international market in the current conditions, is extremely relevant.

Literature review. The banking system is a set of banks, credit institutions and individual economic organizations operating in a particular country that perform banking operations. In addition, the banking system includes specialized organizations that support the activities of banks and credit institutions: cash settlement and clearing centers, bank audit firms, dealer firms for working with bank securities, organizations that provide banks with equipment, information, personnel [3].

The transformation of banks is a continuous process, and it took place throughout the entire period of their formation and development, however, in recent years, targeted changes in the banking business under the influence of digital technologies have become the most radical.

In their works, the problem of the transformation of banking services is considered by a number of authors from foreign countries [4]. For example, S.V. Krivoshepova notes that "the speed of payments in credit institutions can also be called one of the important problems in the field of settlement and cash services" [5]. In addition, the problem of banking customer service is considered in the works of E. I. Demina [6], A. I. Serebrennikov [7], E. S. Vdovin [8], P. A. Semikov [9] and others.

In the modern world, the role of the bank began to gradually transform: its functions have become less exclusive. For example, T. A. Vasilyeva in her study proves that banks are no longer the sole owners of unique information, and due to the development of financial engineering and financial instruments, transactions are concluded without banking intervention, an example of which can be "full contracts" offered by non-bank financial intermediaries [10].

The theory of disintermediation also speaks about the transformation of banking functions², emerged at the beginning of the 21st century. The manifestation of this theory "... in the banking sector is expressed through the loss and decrease in the effectiveness of banking functions as financial intermediaries" [11]. Therefore, "...with the positive dynamics of macroeconomic indicators of the national banking sector, there is a lack of qualitative transformation of the banking business from deposit to interest form" [12].

¹ Digital transformation: economics, entrepreneurship, technologies, innovations, logistics, business processes. // Vestnik ASTU. Series: Economics. 2022. № 2. 2309-9798.; IMD World Digital Competitiveness Yearbook Ranking 2019 / IMD World Competitiveness Center. URL: <https://www.imd.org/research-knowledge/reports/imd-world-digital-competitiveness-ranking-2019>.; IMD World Digital Competitiveness Yearbook Ranking 2020 / IMD World Competitiveness Center. // https://www.imd.org/globalassets/wcc/docs/release-2020/digital/digital_2020.pdf, IMD World Digital Competitiveness Ranking 2021/ IMD World Competitiveness Center.// <https://www.imd.org/centers/world-competitiveness-center/rankings/world-digital-competitiveness>.

² Disintermediation as a theory is a systemic phenomenon that results in the dysfunction of banking intermediation. // see Sukharev O.S. Analysis of economic dysfunction using logistic dynamics models. URL: http://science-bsea.narod.ru/2000/perspektiv_2000/suharev.htm/

In the works of Uzbek scientists-economists, the problem of transformation of banking services is considered by many authors [13], in particular, F. Mirzaev [14] studied the conceptual foundations of the formation of banking competition, B. Berdiyarov [15] analyzed and commercialized the profitability of active operations of commercial banks, A. Erdonaev [16] revealed the features of the theoretical foundations for the transformation of commercial banks, etc.

These focused work studies make an undeniable contribution to the methodology of the newest banking, but leave open certain aspects of the transformation of the banking business. The lack of research that comprehensively covers the theoretical foundations, methodology and practical aspects of the transformation of financial and credit institutions also determines the relevance.

Main part. The development of banking concepts originates in economically developed countries and is based on technological progress and the desire to meet the needs of the client as the basis of their functioning.

Today, the leading financial and credit institutions of a global scale are actively taking measures to adapt to new conditions, which forms new standards in the field of banking business. In this context, a bank is a complex system both in terms of the number of structural units, types of relevant activities, and the number of links between them. In a broad sense, a bank (from Italian banco - a bench, a bench, a table on which money changers laid out coins) is a commercial financial institution operating on the basis of a special permit (license) for which it is legally established as specific opportunities for cash transactions³.

Bank - as a system, is a real object and at the same time a model⁴ - abstract analog of an object. Functioning as a system, the bank must solve the following tasks:

- bank management as a self-governing organizational system;
- transformation of external environment resources.

Based on this, the bank has a number of features that characterize it as a system:

- integrity (the integrity of the bank as a system is due to the economic and technological commonality of the production of banking products and services);
- the open nature of interaction with the external environment (a bank is an open system that closely interacts with the external environment and is under its direct (local external environment) or indirect influence (global external environment));
- dynamism (a bank is a dynamic system that has the ability to change (transform), develop, move from one qualitative state to another, while remaining a single system);
- self-regulation (a bank is a self-regulating system that is able to adapt within certain limits to both internal and external changes).

Financial stability and sustainability of the banking sector is a fundamental condition for the successful implementation of the planned reforms and strengthening the confidence of business and the population in the national banking system as a whole. In this context, an important element of reforming the banking system is the privatization of commercial banks (Fig. 1.).

³ Banks. // <https://ru.wikipedia.org/wiki/>.

⁴A model is a form of displaying a certain fragment of reality (object, phenomenon, process, situation) - the original model, which contains the essential properties of the modeled object and can be represented in an abstract (mental or symbolic) or material (objective) form. The author of the definition: F. I. Goldberg.: Humanitarian technologies - Analytical Portal [Electronic resource]. – URL: <https://gtmarket.ru/concepts/7024>.

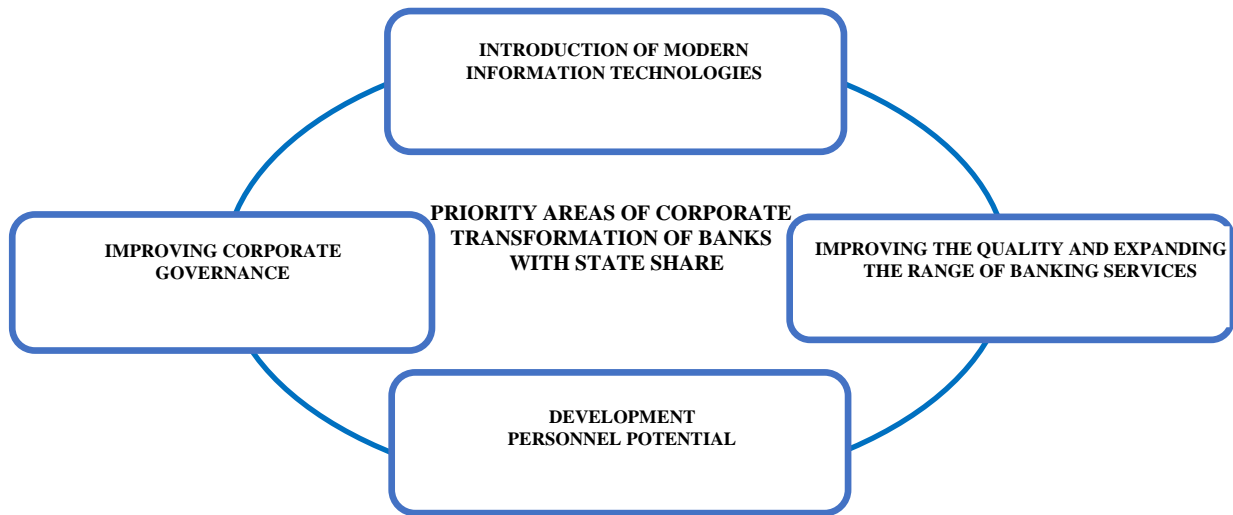


Fig. 1. Priority areas of corporate transformation of banks with state share⁵

The process of corporate transformation of banks with a state share will be carried out in the following priority areas [17]:

A). Improving corporate governance:

- updating the composition of the supervisory boards of banks with the inclusion of independent members with international experience in the banking sector, a clear distribution of powers and responsibilities between the management bodies of commercial banks;
- creation of specialized committees under supervisory boards for effective control;
- revision of the organizational structure of bank management on the basis of modern international practice, introduction of the practice of establishing "key performance parameters" to assess the quality of the work of executive bodies;
- transition to international financial reporting standards, ensuring the proper level of information disclosure to minority shareholders, clients and other interested parties.

b). Improving the quality and expanding the range of banking services:

- optimization of business processes and implementation of international management quality standards;
- simplification of procedures for granting loans by improving the risk management system;
- providing clients with a wide range of services (financial consulting, investment banking, factoring, project financing, leasing, etc.).

v). Introduction of modern information technologies:

- increasing the number and coverage of remote banking services, including contactless payments;
- widespread use of an automated scoring system, digital identification and a credit pipeline;
- improving the information security of banking data and systems;
- introduction of new concepts and technologies in the banking sector (fintech, marketplace, digital banking).

g). Human resources development:

- improvement of the corporate personnel management strategy;
- introduction of a system of continuous training of bank personnel;

⁵ Compiled by the author on the basis of the Decree of the President of the Republic of Uzbekistan dated May 12, 2020 No. UP-5992 "On the strategy for reforming the banking system of the Republic of Uzbekistan for 2020-2025", <https://lex.uz/docs/4811037>.

- transition to modern remuneration systems based on the evaluation of the performance of each employee (KPI, bonus).

In the context of the corporate transformation of the bank, the increasing requirements for the provision of network services are multi-channel, efficiency, transparency, and accuracy stimulate the introduction of new technologies.

Taken together, these principles are reflected in the use by banks in the developed countries of the world of a client-centric model, which implies the creation and organization of all business processes of a bank in a client-oriented manner as a whole. In order for the banks of a particular country to comply with the concepts of Bank 3.0 and Bank 4.0, world standards and in order to increase their competitiveness in the global market, they need to change the business building model. In this context, the proposed banking business model offers a complete rethinking of the bank's value chain (Fig. 2.).

On fig. 2 demonstrates the models of building a banking business. In the context of a comparison of organizational-centric and client-centric, it can be noted that the client-centric management model is currently used by companies not only by financial sector institutions, but also by commercial entities in general. Based on this, we can consider the main provisions of this client-centric concept.

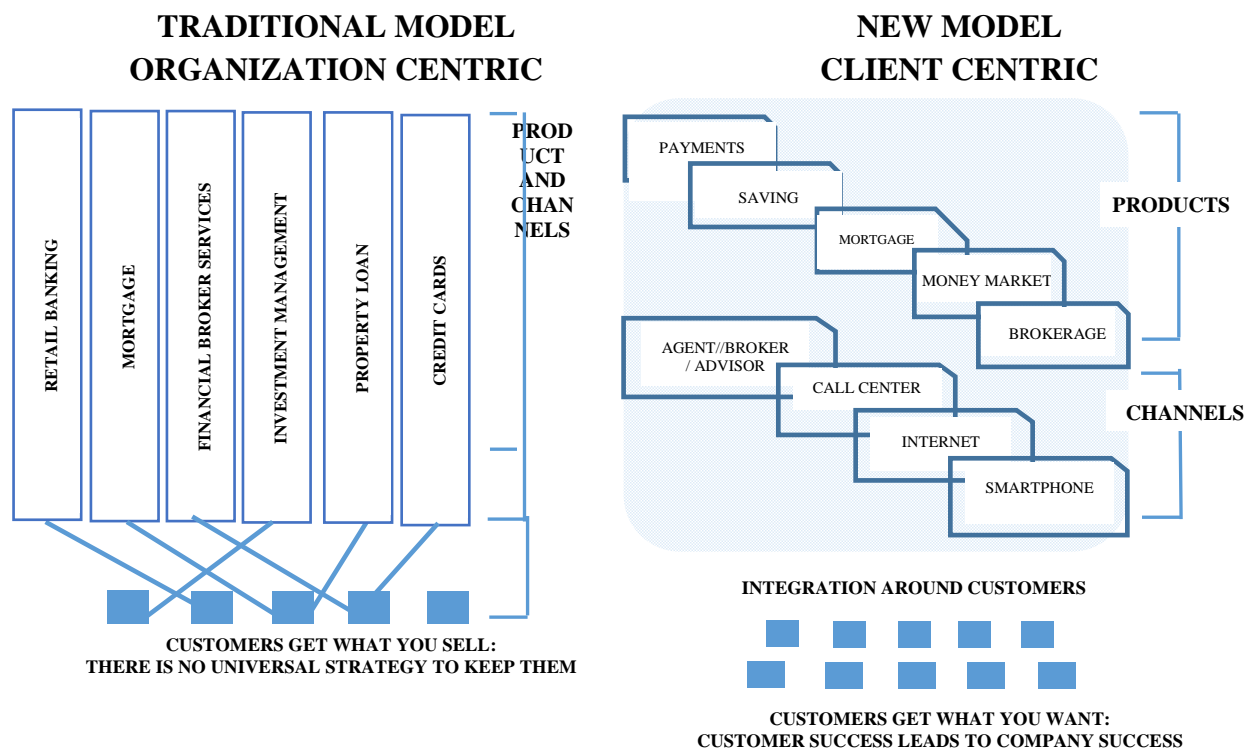


Fig. 2 - Comparison of organizational-centric and client-centric banking business models⁶.

Previously, banks focused on attracting customers by improving the quality of their services, developing new products, and the second in order were distribution, distribution of their services, attracting new customers.

In a global environment, many banks in their strategies prioritize the transition to a customer-centric business model, i.e. such a model that permanently puts the client at the center of all activities [18].

⁶Compiled by the author on the basis of a synthesis of a number of scientific developments, for example, Galper M. A. Transformation of a bank in a global unstable environment Specialty 08.00.10 - Finance, money circulation and credit dissertation for the degree of candidate of economic sciences, - St. Petersburg - 2020. P. 38.

The reason for this management decision is the increase in the level of competition, changing customer needs and other factors.

At present, it is not possible to develop only by improving the quality, therefore, at the moment, the main goal of the bank is to recognize the needs of customers and then develop appropriate products that would satisfy them. Analysis of customer requirements comes first when developing a strategy in conditions, since changes in the external environment cannot be predicted, but the general trend is captured precisely in the behavior of consumers. Involving consumers themselves in creating the products and services they need is the pinnacle of the bank's strategic development and innovative business model.

Today, consumers of financial services are much more aware of the advantages of competitors, and their needs are extremely high. Regarding the first factor, a new concept was even introduced by the economist Gabler - "Homo oeconomicus", which means an individual with "extremely rational behavior", who makes maximum demands on the quality of the services provided to him [19].

In this process, one can observe how this activity manifests itself in banks to varying degrees. Today, the development trend of cashierless banks (without a cashier) [20] is actively spreading around the world, this is primarily due to the fact that users increasingly prefer remote services or choose digital banks in which it is possible to manage the entire range of services on their own.

In the process of transforming banks in the field of introducing modern digital technologies, the following measures are planned to be implemented:

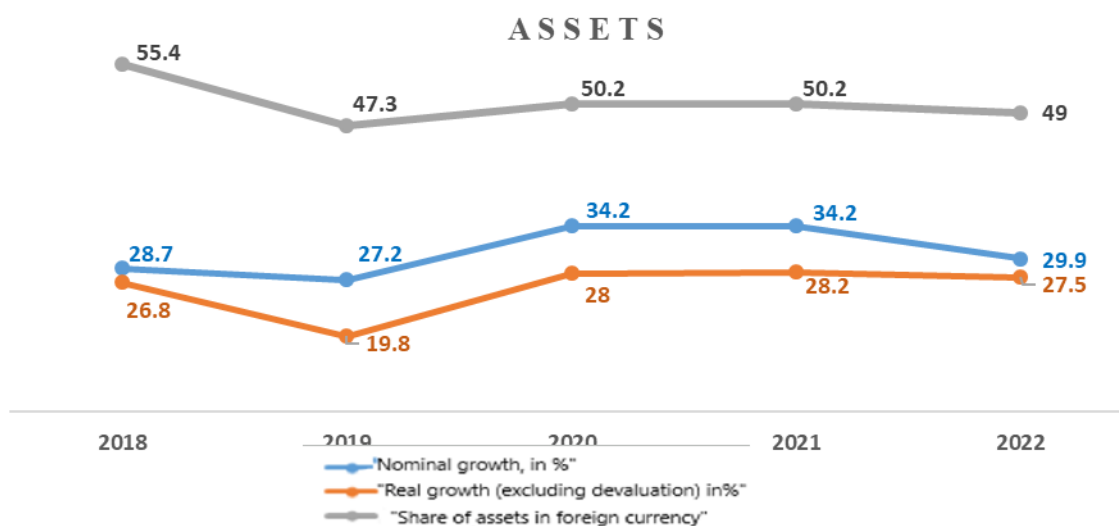
expanding the number and coverage of remote banking services, including contactless payments;

widespread use of the scoring system, remote identification and credit pipeline;

strengthening the information security of the banking information base and systems;

widespread introduction of new concepts and technologies in the banking sector (fintech, digital banking, etc.).

These steps are aimed at developing the digital economy in the country, digitalizing banking services to ensure rapid growth of the country's economy, accelerating integration into the world economy and the free market along with economically developed countries (Fig. 3).



**Fig.3. Dynamics of the volume of assets of commercial banks
Republic of Uzbekistan, 2018-2022**

At the end of 2020, the volume of assets of commercial banks amounted to 366.1 trillion soums, of which 277 trillion soums. soums accounted for the share of loans. At the same time, the nominal growth of assets amounted to 34.2% compared to 2019, and the real growth (excluding devaluation) in 2020 was 28%, and in 2021 - 28.2%. It is noteworthy that the share of assets in foreign currency in

the structure of the total assets of banks is gradually decreasing. This indicator decreased to 50.2% by 2020, to 49.0% by 2022⁷.

✓ In the context of advanced transformation, increasing the availability of financial services implies expanding access to basic banking services (deposit, credit and payment services), including underserved segments (low-income individuals, rural population, micro and small firms) [21].

✓ It is necessary to accelerate the adoption of measures for widespread implementation in the banking system, and on the basis of modern service solutions, financial digital technologies, ensuring information security at the proper level in the provision of financial services.

✓ Dynamics of the number of banks at the beginning of the year for 2017-2022 shown in fig. 1. As of January 1, 2021, there were 32 commercial banks operating in the republic, 13 of them were banks with state participation.

✓ During 2021, the following changes took place in the structure of banks:

✓ In July, it was announced the transfer of shares of ASIA ALLIANCE BANK, which are managed by the State Assets Management Agency of the Republic of Uzbekistan, to Gor Investment Ltd (Great Britain). The British company Gor Investment Limited, together with its subsidiary Asia Alliance Group LLC, became the owners of a 77.2% stake in Asia Alliance Bank⁸;

✓ In November, BANK APELSIN JSC received a license for the right to carry out banking activities and became a new digital bank. BANK APELSIN is “a fully digital bank, where all work and communication with clients is built using modern technologies⁹.”

The concentration of the banking sector characterizes the degree of competition in the banking services market. An analysis of the level of concentration over a certain period of time will make it possible to assess the dynamics of the development of the country's banking sector.

Thus, as of January 1, 2022, the country's banking sector is represented by 12 banks with a state share and 21 other banks (Fig. 4).

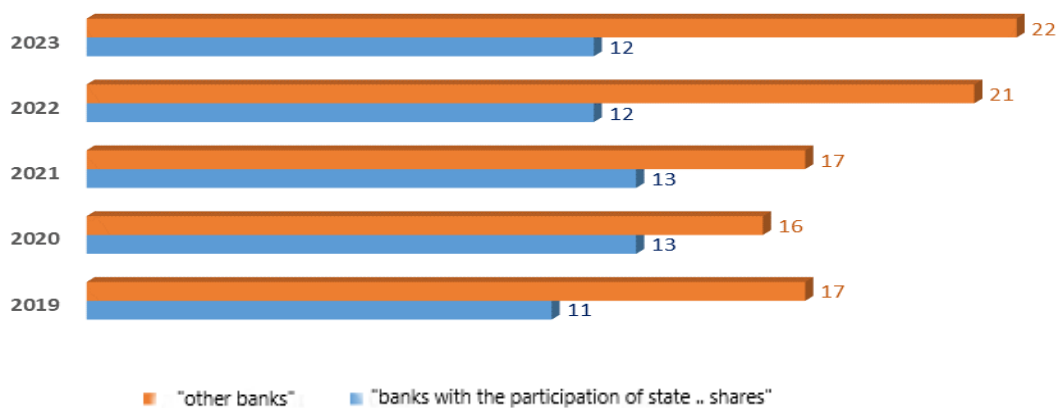


Fig. 4. Dynamics of the number of banks operating in the Republic of Uzbekistan for 2019-2023¹⁰

As of July 1, 2023, there were 34 commercial banks operating in the republic, 12 of them were banks with state participation¹¹.

⁷Review of the dynamics of development of the financial and banking sector of Uzbekistan for 2017-2020. // <https://review.uz/>

⁸ <https://uz.kursiv.media/2022-02-08/britanskaya-kompaniya-poluchila-77-2-doli-v-aziya-alyans-banke/>

⁹ <https://www.gazeta.uz/ru/2021/11/01/apelsin/>

¹⁰ Source: data of the Central Bank of the Republic of Uzbekistan. // <https://cbu.uz/ru/statistics/>

¹¹ <https://cbu.uz/ru/statistics/bankstats/1146145/>

In Uzbekistan, the necessary measures are being taken to reduce the state share in the banking sector by selling the state block of shares of banks to strategic investors with the appropriate experience and competencies. At the same time, a comprehensive transformation program is being implemented, including the introduction of modern banking standards, the development of corporate governance, the introduction of modern solutions in the field of information technology, and the optimization of customer service channels.

In recent years, three digital banks (TBC Bank, Anor Bank, Apelsin Bank) and 32 fintech companies specializing in providing remote financial services have been created in Uzbekistan.

Entrepreneurs conduct 85% of their payments remotely (a 7-fold increase since 2017). Eight banks use the digital identification mechanism (Face ID), the rest are completing testing.

International financial institutions such as the International Finance Corporation (IFC), the European Bank for Reconstruction and Development (EBRD), the Asian Development Bank (ADB), as well as consulting companies such as KPMG, PwC, McKinsey, Finextra are participating in the transformation processes of the country's banks. Critics of this theory, on the contrary, speak of the irrationality of buyers, the influence of marketing on their decisions, and the desire of consumers to simplify the choice of their counterparty, omitting many systemic factors. Nevertheless, Goldberg and von Nitsch single out a property of consumer behavior that unites the two concepts today: "Information is spreading so fast that everyone can have it, but this does not guarantee its perfect use" [22].

In addition, it should be noted that these concepts are focused today on increasing their own importance and gaining popularity, which increases the relevance of such tools as, for example, crowdsourcing¹².

But the question is also how to attract buyers to innovate in the bank. Marsden names four "F": "Fame (popularity) - Fortune (luck) - Fulfilment (performance) - Fun (fun)"¹³. All these concepts are united by the desire of a person to express his creativity and individuality, which is exactly what the bank needs, as unlimited resources of an innovative type.

Thus, if banks previously lived according to a simplified scenario - traditional management principles and classic advertising on television, radio, newspapers and magazines, now they already operate in a world where their offline activities are immediately reflected online. Therefore, it is necessary to constantly maintain the level of customer loyalty in these two fields.

In addition, the level of traditional services provided is proportional to the level of cash use. As we can see, this trend is to reduce the amount of cash in circulation, therefore, banks should also transfer their operations to the virtual space, reducing specifically physical offices and creating virtual ones, as well as strengthening new service areas: cash will be replaced by other methods used to pay for purchased goods (services rendered, work performed).

Of course, in this context, the functionality of cashless service is somewhat different. In self-service zones, the client will be able to use the following services:

- get an online video consultation on banking issues;
- get a bank payment card or certificate;
- replenish the accounts of Procredit Bank customers in national and foreign currencies;
- receive cash in national currency.

¹²Crowdsourcing (from the English crowd - "crowd" and sourcing - "use of resources") is the involvement of a wide range of people in solving certain problems of innovative activity to use their creative abilities, knowledge and experience by the type of subcontract work on a voluntary basis using infocommunication technologies.
<https://trends.rbc.ru/>

¹³<https://ru.wikipedia.org/wiki/>.

Thus, a particular bank should build strategies for interaction, for example, with supermarkets and other entities that will provide cashless payments, and develop appropriate technologies to ensure the innovative processes of the digital economy. In addition, they need to look for new ideas in order to meet the requirements of their customers. Nevertheless, the activity in the development of this direction in the banking market of the CIS countries, according to scientists - economists, is rather insignificant.

We agree with the opinions of some scientists, in their scientific developments a hypothesis is put forward that with the risk of exclusion from the payment process and, on the other hand, the presence of a lot of opportunities to expand distribution channels, a large number of bankers are still indifferent to this. The hypotheses put forward relate this situation to the fact that a change in such a historically conservative and established sector as banking meets some resistance, which is typical to feel before any changes of this magnitude. They argue that transformation is essential for survival, and thanks to technological progress, it is a feasible task for banks to carry it out [23].

In this process, small and medium-sized banks especially lag behind global trends. Their digitization policy is catching up, which indicates gaps in the strategic planning of banks. The expediency of using a client-centric model in the context of the STS is due to the fact that it reflects the degree to which a credit institution meets the expectations of customers and, therefore, shows how effective its strategy is.

We join in honesty with the opinion of other scientists that assessing the performance of a bank only by financial indicators is a strategic mistake [24]. The profit of a client-centric bank should be seen as a consequence of its effective work with clients.

Thus, regular customers are the most valuable asset of the bank, providing a stable profit in the future, while the profit received at the end of the past period demonstrates the efficiency of work in the completed whole.

In addition, in accordance with the experience of banks in developed countries, an important element of success is building systemic customer-oriented partnerships, since the total number of customers is also not such an important indicator as establishing close relationships and a clear understanding of their needs. The loyalty of existing customers provides an increase in the reputation that future customers are guided by when choosing a financial institution [25].

As an example, many consider that Booz Allen, a consulting company that conducted research on organizations in North America and Europe, found that the secret of successful companies that have adapted to the conditions of the global economy lies in a personalized approach. However, research results show that the implementation of this approach brings better results while controlling costs.

It is these two components that are combined in practice by leading companies that receive 5–10% more profit than their competitors in the industry [26]. Booz Allen¹⁴, even proposed its own technology for achieving a one-time increase in personification and cost reduction: the Tailored Business Streams (TBS) method developed by the company involves the use of efficient but cheap processes to ensure the production and sale of homogeneous and stable products and reformatting processes for complex and unique goods (works) and services. According to the company, the implementation of the method in the practice of an American bank led to a 50% increase in customer satisfaction. Banks were among the first to show an increase in efficiency due to the introduction of mass personalization into practice, which solves the problem of combining two effective functional mechanisms for increasing profits.

¹⁴ <https://www.boozallen.com/>

In particular, the Citipro program of Citibank¹⁵, which is a financial planning tool and customizable by a bank employee (optional), offers him personalized financial solutions based on the analysis of information about accounts, insurance, taxes. Through the implementation of the program, Citibank has significantly increased the average number of products per bank customer¹⁶.

In many management models, there is a clear distinction between the functions of management, which has the authority to manage the bank's funds, and employees who communicate with clients. However, the experience of consultants suggests that in modern conditions it is more appropriate to give front office employees the authority to make certain management decisions, for example, to pay compensation to clients for inconveniences and other problems caused by the bank.

Thus, the client-centric model is based on the assertion that it is the satisfied client that is the source of the profit generated by the company, and builds all processes around meeting his needs. Since, within the framework of management models by territory and functionality, the interaction between the bank's departments in order to better serve the client was not well-established, the bank, when moving to this model, needs to completely rebuild the entire concept of its activities, including the introduction of cross-functional interaction of personnel into practice.

In particular, we are talking about the transformation of the bank in order to increase the efficiency of its work in the new conditions: new technologies can reduce the costs of the bank, and will also help to compete in the market with fintech companies. However, while introducing new technologies, banks are faced with a new problem: the inability to work within the new concept, using the old management and operating models. Thus, one can conclude [27] that the current banking models (including business building models, management systems and operating models) are not suitable for large-scale digital transformation.

Some authors [28] believe that digitalization is the main trend and determines the transition to bank 3.0. But at the same time, they note that in this case we are not talking about a strategy for going online, but about transforming the business as a whole.

Digital transformation is understood as a complete change in the development strategy, management system, organizational structure and corporate culture, as well as the emergence of absolutely innovative types and methods of carrying out activities, reformatting existing business processes. Therefore, digital transformation is much broader than automation, which is the introduction of innovative technologies into your business.¹⁷

In an article devoted to the experience of transformation of the Dutch banking group ING [29], one can quote the statement that transformations, as a path of constant complex transformation, where the transition from A to B continues with the achievement of C with the prospect of development in the direction of D.

In this case, one can join the opinion that banks need to use a comprehensive, systematic approach when carrying out transformation under the influence of the global external environment. For these purposes, reference and reference models are widely used in management and consulting [30].

In this context, the reference model is a systemic set of descriptions of schemes, practices, decisions and regulatory documents regarding the activities of the bank as a whole, or the activities of its specific division, business processes, and management system. The typical model thus accumulates and systematizes the experience of the bank (banks) and is a knowledge base [31].

¹⁵ <https://www.citi.com/>

¹⁶ Same place.

¹⁷ A standardized model that provides a high-level, integrated view of business, technology, and data; used as a reference for building similar models. The usefulness of reference models is that they introduce some degree of standardization of the list of processes. // <https://pmb.com.ua/uk/slovar-terminov/referentnaya-model/>.

In addition, there is the concept of a reference model¹⁸, which is a model created on the basis of expert opinion of leading consulting and commercial organizations as a set of necessary processes in an organization, regardless of industry affiliation. It is a generalization of advanced international business management experience in various areas of economic activity. When it comes to the methodology for transforming economic entities, it can be argued that, faced with the impact of changes in the external environment on their structural organization, the entity turns to a professional consultant who helps to identify the problems that exist in the organization at the moment, speaks with the business owner about the vision of the situation they want to come to, and then draws up a plan to achieve the optimal state of the economic entity, fixed in the framework of the vision. Among the factors that form this model, the scientist identified the following: authenticity, openness to one's own experience, the development of self-knowledge, the value of personality and identity, tolerance for uncertainty, acceptance of one's own responsibility, the depth of relationships with other people, setting realistic goals. To simplify this process, the consultant uses the reference model of the subject's activity (see Figure 1.3).

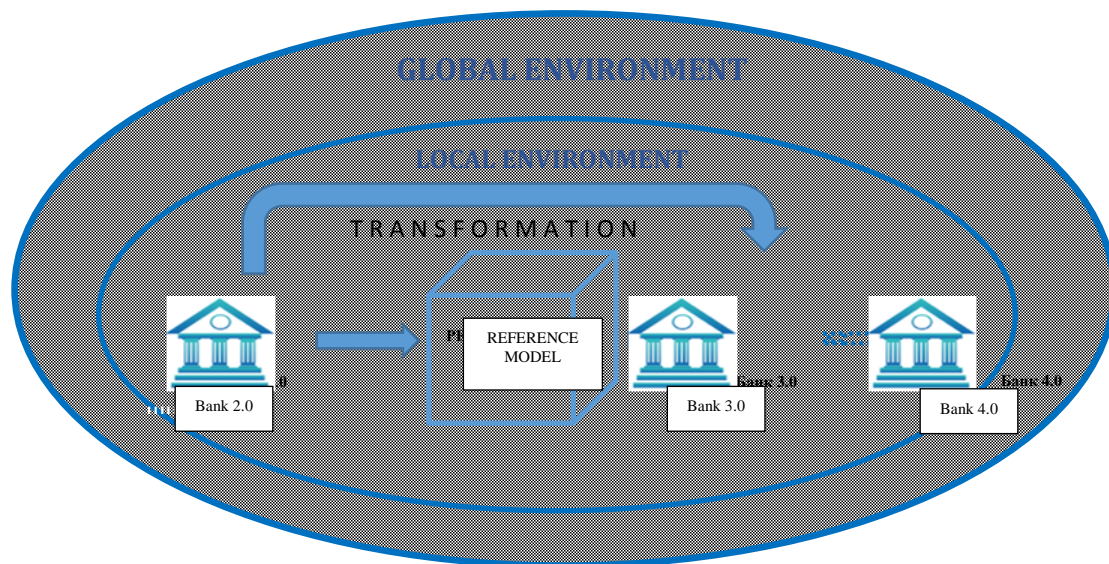


Fig. 1.3 - Changing the concept of banking under the influence of the global environment with the help of reference models¹⁹

On fig. 1.3 demonstrates the bank's transition from the Bank 2.0 concept, within which most of the banks in a particular country exist, to the Bank 3.0 concept. based on the reference model. In this case, it can be seen that the global unstable environment acts through the local external environment of the bank.

However, confirmation of the mechanism of influence on banks in the context of the practical management of the bank, according to the proposed methodology, when carrying out changes in the bank (change management), for example, in order to increase the efficiency of its activities, firstly, a complex business model is drawn up “current”, then a complex business model is “required”, and then a plan is developed to transform one model into another[32].

¹⁸ The reference model of the economic system is formed as the sum of its own states that meet the requirements for the reference activity. The reference activity of the economic system represents the activities within which the change in the basic indicators fully complies with the formulated requirements. // https://itworkshop.susu.ru/files/Mokeyev_slides.pdf

¹⁹ Compiled by the author on the basis of a synthesis of the concept of modeling business processes in general. For example, Galper M. A. Transformation of a bank in a global unstable environment Specialty 08.00.10 - Finance, money circulation and credit dissertation for the degree of candidate of economic sciences, St. Petersburg - 2020. P. 38.

In turn, when developing complex business models, it is recommended that banks use the developed standard (reference) integrated business model. In our opinion, this concept justifies itself as a methodology for "stable and long-term development of the bank", however, since in the context of the bank's transformation under the influence of the global environment, today it is required to draw up a different reference model to form a specific transformation methodology

Conclusions and offers. The theoretical study conducted in the field of banking transformation under the influence of the global unstable environment made it possible to formulate the following conclusions:

firstly, the regularities and specifics of the bank's transformation in the conditions of a structural shift from an industrial society to a digital one were identified, a new significance of the bank in the country's economic development was determined, its role at a financial institution as a financial intermediary was analyzed in terms of a threat to leadership against the backdrop of increased competition from technology companies, functions were summarized and supplemented taking into account the innovative component of banks' activities;

secondly, the definition of a modern bank based on analysis, in our opinion, can be clarified as follows: at the present stage, a bank is a technology company that has a license to conduct banking activities, which actively enters into dialogue and cooperation with partners that perform similar functions or have the same consumer segment;

thirdly, a grouping of factors of the external global and local environment of the bank's activities has been carried out and scientifically substantiated;

fourthly, based on the results of the analysis, we have formulated a definition of the global unstable environment: the global unstable environment, in particular in relation to bank management, is a set of external factors of the distant environment that cannot be predicted, which affect economic entities, provide a number of opportunities, but are associated with uncontrolled risk.

fifthly, the analysis of the conceptual foundations of banking activity and approaches to them by foreign and domestic economists was carried out, and their author's characteristics were presented. The systematization of technological drivers of concepts and banking services has been supplemented, taking into account the latest knowledge and concept formation. In the future, further expansion of financial ecosystems and an increase in the product line of banks as a whole are expected.

In conclusion, it should be noted that the transformation of the banking sector is strongly influenced by state regulators, the level of digitalization of the economy, the corporate culture in banks and the presence of a clear strategy for the phased development of banking activities. The main trend will remain widespread digitalization, on which the success of financial institutions will depend.

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