

## The Role of Information Technologies in Innovative Development of Banks

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### Abstract

*Improvement of information technologies, as well as their widespread use as a key factor in the innovative development of banking, as in all areas, is one of the most pressing issues. This article reveals the role of information technology in the innovative development of banks. The role of modern information technologies as a means of competition in the market of remote banking services and banking services is widely analyzed. International experience on risks and security measures in the provision of modern banking services is studied and methods of risk management are described. In addition, statistical analysis was conducted on modern technologies introduced in the country. Also, proposals for further innovative development of banks on the basis of modern information technologies have been developed.*

**Keywords:** *banking, information, technology, deposit, credit, virtual banking, online banking, mobile banking, digital banking.*

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The development of modern information technologies is the basis for the further development of production based on the automation of production, the reduction of human participation, the transition to a virtual view of traditional processes and the integration of various practices.

In the conditions of modern globalization, there is a need for digital information and communication technologies, which are the achievements of technological development in all areas. Because technological modernization leads to cost reduction in each direction, quality improvement, reduction of unnecessary time, in other words, the achievement of high efficiency.

All this has developed rapidly since the second half of the twentieth century and to this day, one might say, has covered almost all areas. Of course, one of these areas should be recognized as the banking sector.

It should be noted that the effective use of digital information technologies and innovative organization of activities on this basis will have a positive impact on the further development of banks, as well as increasing the investment attractiveness of a banking institution and its capitalization.

However, a further increase in the level of capitalization of banks - due to additional capital, expanding the deposit base, increasing lending to a highly profitable economy and optimizing banking activities - is typical of traditional banking.

The world experience and banking practice achieved so far in the banking system of our country show that further development of the activities of banks to achieve competitiveness in the banking services market through the introduction of new types of banking products and services based on modern information technologies and improving their quality is possible.

Of course, this also depends on the solvency and other capabilities of banks. However, in today's competitive market, updating modern technologies and software to ensure not only efficient, but also sustainable operation remains one of the most pressing issues.

In an ever-improving banking market, the growing demand for remote banking services that differ from traditional banking services requires banks to solve a number of problems. In particular, it is necessary to organize such services as "Virtual Banking", "Online Banking", "Mobile Banking" in a qualitative and diverse, as well as simple and understandable form, and constantly improve them.

In our opinion, it is advisable to increase the role of modern information technologies in the further development of banks and, on this basis, develop promising strategies for improving the activities of banks:

1. Consider ways to increase financial visibility in cooperation with the World Bank and other international banks and develop measures for implementation;
2. Privatization of state-owned banks and thereby creating conditions for healthy competition in the banking services market;
3. Widespread introduction of modern information and communication technologies in the activities of banks to improve the system for providing high-quality and efficient banking services;
4. Improving the qualifications of the Bank's personnel and the ability to work with modern information technologies, as well as appropriate incentives for qualified personnel;
5. It is necessary to eliminate technical problems in the process of providing remote banking services and organize the use of high-performance highly communication servers.

In conclusion, the modernization of banks based on modern information and communication technologies will increase the possibility of bringing the activities of banks to a new level of quality and modern requirements. Because in the context of a growing digital economy, it is information technology that is the key factor in ensuring strong competition in the banking services market. Of course, on the other hand, we must not forget the contribution of creatively thinking professionals working in this field.

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