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SWOT ANALYSIS OF DIGITALIZATION IN BELARUS BANKING INDUSTRY

SWOT-АНАЛИЗ ЦИФРОВИЗАЦИИ БАНКОВСКОГО СЕКТОРА БЕЛАРУСИ

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ABSTRACT

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The article presents a SWOT analysis matrix of the digitalization of the Belarusian banking system. The research outlines directions of the development which include the creation of an interbank identification system, the development of electronic payment systems, and digital banking. Implementation of these directions will optimize the banking sector, reduce operating costs, increase the volume of services provided and the bank's financial performance.

A SWOT analysis matrix was made on the basis of the analysis of the theoretical principles of digitalization in the banking sector under current conditions and the specific nature of this process in Belarus (Table 1).

Based on the SWOT analysis, the following directions in the development of digital technologies in Belarusian commercial banks can be identified:

- development of electronic payment systems (increasing the number of electronic payment systems, expanding their tasks and functionality, increasing the number of transactions);
- development of digital banking (including the development of applications, transfer to telecommuting);
- development of new forms of lending (video lending, project crowdfunding, scoring lending);
- use of artificial intelligence in the implementation of banking products (introduction of chatbots, lead generation).

Table 1. SWOT Analysis Matrix of Commercial Banks Digitalization in Belarus

	Opportunities: a wide range of services; service range expansion; worldwide access; cost reduction by means of personnel optimization.	Threats: theft of funds; high level of digitalization of rival Russian banks; public access to personal information on the Internet.
Strengths: high speed of processing requests and transactions; independence from local bank branches; a human factor does not interfere with the process of decision-making.	Strength-Opportunities: time saving; ease of entering new (foreign) markets; development of electronic payment systems; increased productivity by means of the introduction of artificial intelligence (chatbots); expansion of moneylending services; transfer to telecommuting.	Strength-Threats: development of in-house security and protection system of customers data; ability to analyze the positive and negative experience of Russian banks.
Weaknesses: insufficient academic qualifications in digitalization among managers; lack of incentive among personnel; absence of training necessary to work in a digital bank.	Weakness-Opportunities: retraining and advanced training of managers; allocation of funds accumulated due to personnel optimization for training or retraining; development of new forms of remuneration.	Weakness-Threats: unemployment growth among banking professionals; loss of bank competitiveness at in the international market.

Notice: The source is author's own work

To increase the share of the digital economy in GDP, experts of the Eurasian Development Bank recommend developing information infrastructure, including information centers, subsystems, data and knowledge banks, communication systems, control centers and technologies for collecting, storing, processing and transmitting information. The basis of digital banking is remote service, so the transfer of some employees to telecommuting can reduce the costs for jobs provision (rent, utilities, etc.). The development of artificial intelligence, and

robust ICT infrastructure in economically developed countries entails the development of industrial robotics and the industrial Internet. This will result in the creation of an entire information-technology-organizational-and-managerial system that comprises production, supply and distribution processes. Automation of bank processes allows presenting information on a 24-hour basis while reducing the cost of providing these services. Robotic advisers carry out functions of a portfolio manager who determines risks and an optimal investment strategy. And they can be used as mobile applications.

Thus, the main prospects for the development of digital technologies in the banking sector of Belarus include the introduction of artificial intelligence technology (the use of chatbots in the implementation of banking services). The main directions of development of digital banking in Belarus are the following: creation of an interbank identification system, development of electronic payment systems and digital banking. Implementation of these directions will optimize the country's banking sector, reduce operating costs, increase the volume of services provided and the bank's financial performance. Collectively, this will ensure the strengthening of the Belarusian national banking system and effective solution of the tasks assigned to it in the context of the digital transformation of the economy.