

## TRENDS IN TRANSFORMING BUSINESS BANKING

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### Abstract

Banking systems and financial institutions are an integral part of an economy. The smooth functioning of these sectors is important for the growth of the economy. Due to the advent of digital technology, banking and financial institutions are undergoing massive changes in the way they work. The advent of financial technology has resulted in the introduction of new technological advances in banking. Fintech companies, internet banking and mobile banking are just a few examples of this change. Banks need to prove themselves by adopting new business models, by increasing their pace and scope of innovation. The bank's products should become digital experiences that go beyond banking, that meet the needs of customers and are embedded in the daily life of customer. Part of this process includes personalized analytical insights, which encourage customer engagement and customer representation and help the bank learn more about customer behaviour and needs. The future of digital banking is not just investing in new technology, but streamlining banks' operations, business models and corporate cultures to create a more customer-centric experience. Banks need to embrace the new possibilities of digital banking while putting the customer at the centre of their new business models. Banks should strive to meet the requirements of corporate clients and small and medium enterprises by digitally transforming critical workflows and improving customer experience. Commercial banks are methodically upgrading and digitizing their technology infrastructure, which is an important step on the road to digitalization, but they are just not over yet and will have to continue to invest heavily. Banks will need to define digital targets to ensure that their technology investments support features such as understanding, responsibility, focus, efficiency and business skills.

*Keywords:* Digitalization, Internet Banking, Mobile Banking, Clients, Companies.

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### 1. Introduction

Technology, innovation and workforce transformation are reshaping Banking as we know it. Modern banking faces many challenges, such as reduced margins, increased competition, new regulations and an ever-changing business landscape. What is needed is a radical rethinking of existing business and operational processes. To be effective, processes need to be fast, agile and easily upgraded. Transformation involves more than just incorporating automation, digitalization, artificial intelligence, and so on. The process of transforming banks means transforming their processes so that they can differentiate themselves from competitors by providing an improved customer experience at optimized costs. Banking products, attracting customers, introducing new operating models and delivering complex, multi-phase projects across geographical areas give banks an advantage. In order to improve, optimize and stabilize the operating processes of banks, the established DMAIC methodology is followed (Define, measure, analyse, improve and control). (Sethia, 2019)

- This can be done in any of the following ways:
  - Easy implementation: Structured around simple (non-technological) but effective solutions,
  - Quick response: Solve problems of medium complexity,
  - Process re-engineering: a strategic change initiative that involves complex processes and solutions that would require technical intervention.
  - Provide well-defined processes focused on creating values for customers, supported by real

technology.

There is no single method for successfully transforming the banking model. An approach to transformation depends on the bank's goal - be it to improve the customer experience, streamline processes or reduce operating costs. Although the approach of each bank is different, the best practices for transforming the operating model of banks are highlighted: (Booz & Company, 2021)

- Transformation of the retention process and increase of the number of clients,
- Simplification of products and services,
- Aggressive digitization,
- Transparency and performance management
- Delivery model optimization.

The process of transformation of the bank is any activity or group of activities that transforms and adds value, provides outputs for customers, makes changes in the physical characteristics of equipment or materials, information and the like. Operations management transforms inputs (labour, capital, equipment, land, buildings, materials and information) and outputs (goods and services) that provide added value to customers. Banks are exploring new technology-based operating models to enable employees to provide services to its customers. They reshape revenue and expenditure models to carry out technological transformation. (Neeless, 2021)

Changes in customer requirements put banks under pressure to provide solutions that help customers cope with entire processes. Growing regulatory and competitive pressures also require banks to increasingly face operating cost disputes: (Core banking transformation, 2021)

- Faced with challenges and drivers, banks are making significant changes to gain market share and profitability, increase digitalization, strengthen cooperation with other organizations, and increase internal efficiency. The realization of all these goals is very much dependent on technology. As a result, banks are focusing on IT transformation, including modernizing or replacing core banking. This is based on six pillars:
  - automation,
  - speed and flexibility,
  - modularity,
  - collaboration, user experience
  - discussion of costs.
  - changes in the field of technology and in the areas of organization and operation.
- Those that encourages change in business banking:
  - The new model of service required by the client, focused on the whole process.
  - Opening and integrating with other steps in the customer value chain. This is a familiar concept from Open Banking.
  - The definitive wave of bank digitalization. Covid-19 has accelerated the digitalization process in banks, and even those generations who do not want to lose physical contact with their banker (or with coins and banknotes) are embracing digital trends.
  - Increased regulatory pressure, which requires banks to monitor, control, record and audit processes and information such as credit scores, transactions and anti-money laundering checks, and to have them ready to report as needed.
  - The emergence of new competitors from other sectors who have already dealt with and assimilated all the challenges listed above and have the experience to transfer it to the banking world.

Banks in their operations face a more challenging macroeconomic situation caused by increased credit risk, financial disinformation, liberalization of interest rates and the emergence of Internet finance. The emergence and rapid development of mobile internet creates new opportunities for banks, leading to the prospect of direct

banking. Customers in the digital age are looking for values that are focused on quick response, great customer experience and good value for money. Innovation and the concept of targeting customers, products and services with high quality banking is a key enabler for traditional banks that implement a strategy for transformation in the digital age. The transformation of the banks' operations primarily relies on the following operational areas: (Direct Banking, 2021)

- Innovation: developing business models that differ from traditional Innovation focuses on a specific segment of customers that offer standardized products and services to bring a profitable advantage and new opportunities that differ from the traditional retail banking business.
- Customer-centric: direct banking that puts customers at the centre, with products designed based on customer needs. Customer-centric banking redesigns the business process to meet product requirements and bring the customer to the centre of reality.
- Efficiency: the efficiency of operations and processes that provide a quick response to changing customer needs through an even more streamlined organizational structure, agile decision-making and rapid market response. In the meantime, the process must be substantially inclined, compared to the traditional approach.

The purpose this paper research is to understand the situation and to give recommendations for the transformation of operations of banks as financial institutions that deal with receiving deposits and lending money to other clients as well as performing other banking and financial services. Also, the purpose of the research of this paper is to assess the process of transformation and the readiness of banks to perform their important role in the economy to offer service to those who want to get it, as well as to offer finance to businesses that want to invest. and to expand which are important for enabling economic growth.

The paper recognizes the level of transformation of banks and the need for further transformation for better performance of banking activities related to:

- Secure storage of customers' money,
- The offer they give to the clients on deposit interests,
- Lending money to companies, clients and home buyers,
- Offering financial advice and related financial services, such as insurance.

The paper proves that innovation transforms the way banks should serve their customers and develop what customers expect. The paper addresses how banks should use innovative technology, new business models and ways of working to combat disruption, seize opportunities and ultimately better serve their customers. The trade shows that change is inevitable. With the regulation and the new participants that disrupt the commercial or banking sector, banks must decide what role they want to play in the "Bank-as-a-platform" model with increased competition for customer relations. Utilizing flexible infrastructure, innovative technology and new business models are key to maintaining traditionally strong customer relationships and fostering further successful operations. Successful banks will put customer interface retention and providing increased customer value levels at the top of their transformation agenda through tailored and tailored services.

## 2. Methods

Qualitative and quantitative research methods were used in the preparation of this study to achieve the objectives of the study.

Quantitative research methods relied on bibliometric analysis to detect trends in the transformation of business banking. The bibliometric analysis revealed the explanations for the transformation of the banking sector that have been processed in documents, magazines, and in the existing literature.

Quantitative methods are used to numerically measure the results achieved in the transformation of business banking. As part of the quantitative research methodology, the results of conducted surveys were used for the indicators of the level of transformation of the banking sector.

The study analyses the problems of the transformation of the banking sector. It assesses the impact of new technologies on the activities of banks, by identifying the deterrents to the development of new technologies in the banking sector and finding possible ways to overcome them and reviews its development of the banking sector.

Research methods have been used to identify the dominant trends in the transformation of the banking sector under the influence of new technologies, the development of theoretical and practical recommendations aimed at activating and stimulating the accelerated introduction of innovative banking products and services.

As a result of the research, segments have been identified, in which the banks are losing to their competitors. The key to successful bank development is the right goal setting and a well-thought-out transformation strategy.

To explore the process of transformation of the banking sector, three perspectives were considered:

- Theoretical understanding of the concept of new financial technologies
- The need to ensure efficiency and sustainability of the banking sector
- The change of the IT architecture of the banking activities and the formation of the digital ecosystem with the banks in the centre.

In the same way, areas of implementation are being analysed of new financial technologies in the banking sector.

### 3. Results

Banks are undergoing a profound transformation. Digital technologies are reshaping payments, loans, insurance and wealth management. Transformation makes banking services more diverse, competitive, efficient and inclusive in many economies, and can also increase market concentration. Innovations in financial technology have encouraged greater access to the convenience of financial services for business users. Quite a few new companies have emerged to apply new technologies to meet customer demand and most current companies show that digital transformation is a strategic priority. Significant technological advances have taken place in two key areas that have contributed to the current wave of technology-based finance: (BIS Papers No 117, 2021)

- Increased connectivity. The Internet and mobile technology have rapidly increased the ability to transmit information and interact remotely, both between businesses and directly to the consumer. Through ubiquitous mobile phones and smartphones, technology has increased the accessibility and efficiency of direct delivery channels and promised lower, customized banking services. At the same time, the rapid increase in connectivity has enabled major network effects and strengthened the position of established intermediaries offering mobile networks and subscriptions, such as telecommunications companies, especially in some emerging markets and emerging economies (EMDEs).
- Inexpensive calculation and data storage. Computer efficiency has increased exponentially as data storage costs have declined rapidly. As data storage costs have fallen, the amount of data generated globally has increased exponentially. The ability to process data quickly has also increased with advances in artificial intelligence (AI) and machine learning. Much of the new data relates to individuals ("personal data") or companies and can be automatically processed to identify the characteristics of existing or potential customers and further to offer the banking services that best suit them.

*3.1. Current trends in the transformation of business banking:* For decades, banks have been at the forefront of automation. But now, large parts of their once state-of-the-art technologies have been transformed into legacy systems that hinder innovation. New players in the financial services industry are entering the market

without the burden of outdated technologies. Traditional banks are struggling to keep up with start-ups that make the most of new data-driven technologies such as cloud, artificial intelligence (AI) and machine learning (ML), as well as weak and agile processes such as DevOps. (Theunissen, Meijnen, 2022)

Some of the trends that have revolutionized the banking sector so far are: (BizEncyclopedia, 2019)

- Digitalization - With the rapid growth of technology, digital services have become an indispensable part of banking as these institutions need to keep abreast of changes and innovations that have made services more convenient.
- Mobile Banking - Nearly a decade ago, even though digital services were emerging, it was only done through desktops, which meant that the customer had to be at home or on the spot with a computer and internet connection. But the huge penetration of smartphones has created a need for customers to use banking services on their mobile phones.
- Unified Payment Interface (UPI) - UPI is a trend that has emerged in recent years and is revolutionizing the way money is paid and received. Transactions can be made in seconds using this interface.
- Blockchain - Blockchain is a robust technology that is still in development. Security is a major factor when it comes to digital services. Despite technical advances, fraudulent practices are still a challenge in the digital realm. The technology works in computer science, data structures and cryptography.
- Artificial Intelligence (AI) Robots - Many banks use chatbots or artificial intelligence (AI) robots to help support customers.
- Fintech companies - Fintech companies specialize in developing technology solutions that help companies manage the financial aspects of their business, such as new software, applications, processes, and business models.
- Digital banks only - Only digital banks operate through IT platforms that can be accessed via mobile phones, laptops or tablets. Banks for digital work only work in a paperless model without branches. These banks provide high-speed, low-transaction banking facilities.

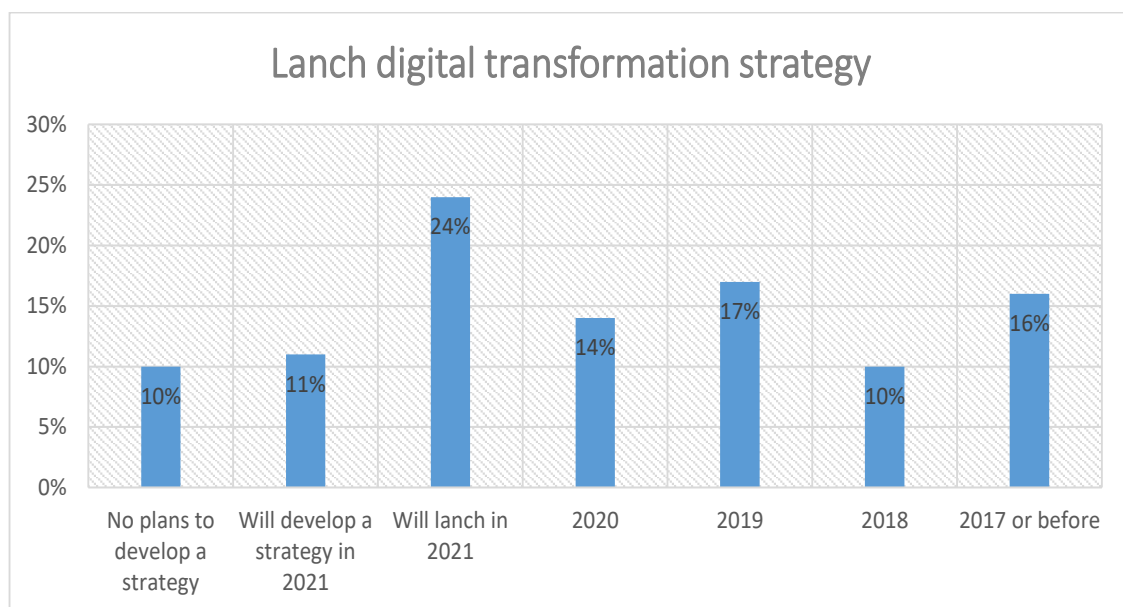
Banks and other financial institutions and organizations have struggled far too long to keep up with consumer marketing and the diversity of their loyalty to other businesses. They stand out from the trends that are happening in business banking today: (Kognitiv, 2021),

- Personalization - The new generation of consumers expects to be treated as individuals, not as segments, which means that banks need to incorporate a much stronger form of personalization. Personalization can take the form of allowing the client to design their own banking product package based on their circumstances, needs and preferences when choosing the specific benefits, they want to receive from the wide range of banking features and benefits. This is the opposite approach that suits everyone.
- "Whole Bank" Loyalty - Banks face the challenge of treating customer loyalty as part of their overall relationship with the bank, rather than as part of a product feature (e.g., credit cards). This relationship goes far beyond the credit card and should include all products and services that the client consumes, whether it be from a retail bank, a commercial bank or another product, such as insurance or investment products.
- Digital Transformation - The banking sector is witnessing a continuous and aggressive focus on digitalization and the adoption of new technologies to bring operational efficiency, improve market speed and deliver superior customer experience. Banks are reducing the cost of investing in digital channels as mobile and online banking become increasingly popular with customers. Digital wearables are increasing the power of smartphones, making it increasingly possible for banks to offer targeted customer service.
- Collaboration with FinTech's - Banks' legacy systems are their biggest barrier to growth and

technological innovation. As a result, many banks are partnering with FinTech companies to build their digital experience. Initially, FinTech's were seen as competitors taking advantage of the gap created by banks' inability to keep up with technological breakthroughs. Today, however, banks' partnerships with Fintech companies pose increasingly the norm, with the latter providing marketing, administration, loan servicing, or other services that enable banks to offer technology-enabled banking products, features, and benefits.

- **Robotics and Artificial Intelligence** - As customer needs and competing forces require banks to adopt full digitalization, performance pressures are forcing lenders to cut costs and maintain sound operating margins. As new regulatory requirements and data protection laws place additional burdens on already increased resources, new technologies such as artificial intelligence and robotics are helping banks effectively address these constraints. By using artificial intelligence to power chatbots and provide an agile round-the-clock customer service, to technology critical features such as fraud protection and regulatory compliance, banks are realizing the dual benefits of optimizing operations while improving operations activities. These technologies also drive innovation in the industry, such as biometrics-based authentication, voice trading and slave advisors.
- **User Experience Focus (UXP)** - Human-centred design has gained a large following in technology and product design in the last decade. More importantly, the emergence of human-focused UX-challenging / neo-banks are forcing banks to focus on adopting design-thinking methodologies. Banks are now more aware that it is not enough to create usable interfaces to provide customer-focused access to the delivery of their banking services. Banks are beginning to understand what experience customers want to experience at every touch of digital interaction with their customers.

According to a study by Cornerstone Advisors, only about a quarter of banks started a digital transformation strategy before 2019 and that 45% did not start a strategy before this year: (Shevlin, 2021)



**Graph 1.** Banks transformation strategy

Source: Shevlin, R., (2021), *Digital Transformation in Banking: Banks Have a Long, Long Way to Go*, <https://www.forbes.com/sites/ronshevlin/2021/04/05>

Several banks are very far from completing their digital transformation. Only 36% think they are at least halfway there. However, it is hard to believe that 20% of the institutions that have implemented their strategy for digital transformation in 2020 and 27% of those that started in 2019, think that they are halfway.

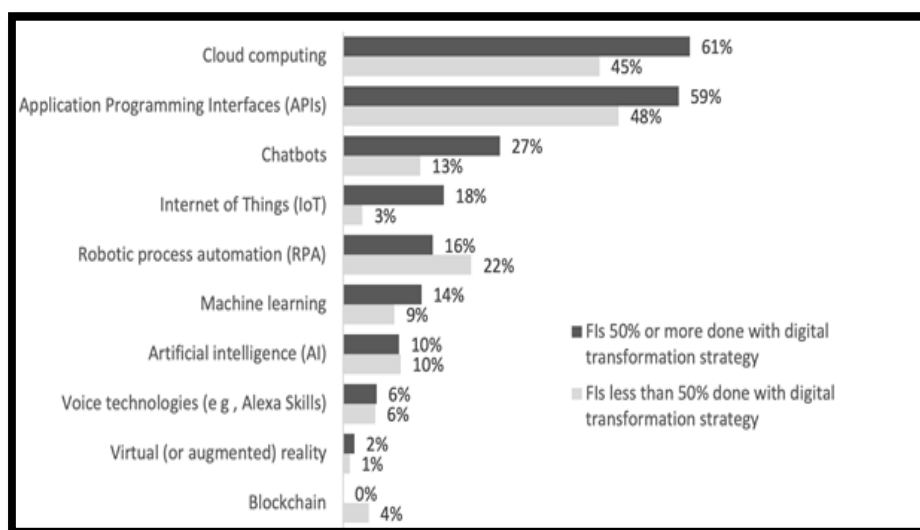
		2020	2019	2018	2017 or before
How far along in your digital transformation strategy do you feel your institution is?	Less than 10%	49%	21%	4%	8%
	25%	31%	52%	54%	33%
	50%	11%	17%	29%	21%
	75% or more	9%	10%	13%	38%

**Graph 2.** Banks transformation strategy

Source: Shevlin, R., (2021), *Digital Transformation in Banking: Banks Have a Long, Long Way to Go*, <https://www.forbes.com/sites/ronshevlin/2021/04/05>

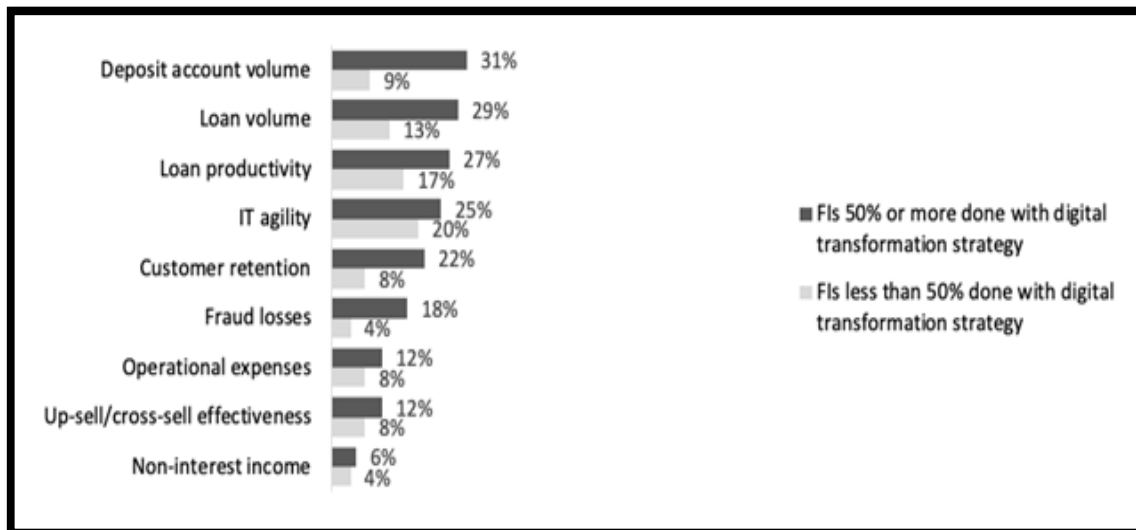
For banking institutions that are completed halfway (or more) with their digital transformation strategy show the following, especially in terms of: (Chang, (2021)

- Cloud computing and APIs - Approximately four out of 10 banks that think they are halfway through their digital transformation strategies have yet to deploy cloud computing or APIs.
- Chat bots. Most banks do not agree that chatbots are a basic technology and that each bank will end up deploying multiple chatbots through a series of business processes and customer journeys. Only about a quarter of institutions have implemented chatbots as a half or more of their transformation so far.
- Machine learning. Only 14% of banks halfway through or more of their digital transformation efforts have deployed machine learning tools. For a technology that is said to have a transformative role in the industry, 14% it does not seem like a very high number.
- Less than a third of banks claiming to have completed their digital transformation strategy by half or more have achieved a 5% improvement in any of the key performance measures.



**Graph 3** Technologies Deployed by Banking sector

Source: Chang, E., (2021), *Why Your IRS Refund Is Late This Year*, <https://www.forbes.com/sites/ronshevlin/2021/04/05>



**Graph 4.** Improvement in banking transformation

Chang, E., (2021), *Why Your IRS Refund Is Late This Year*, <https://www.forbes.com/sites/ronshevlin/2021/04/05>

**3.2. New trends in transformation of business banking:** Banks began to implement digital strategies across the value chain. However, from the initial focus of modernization and digitalization of core tasks evolved several digital capabilities. New transformation trends are not part of a true customer-centric culture, digital in the first place, needed to catapult businesses into a new age of expansion. Trends that are priority and are expected to continue to stimulate the growth of business, i.e., commercial banking would be: (Ghunaim, 2022)

- **Banking digital fluency** - Banks have realized that defining and executing a digital strategy is everyone's responsibility as a result of agile business transformation. If commercial banks are to fully appreciate the potential of digital transformation, a combination of conventional and new talent is needed. Banks that focus on digital methods are twice as likely to expand as those that do not. Their staff has learned to put technology at the centre of their business, so the more digitally fluid they are, the more likely they are to achieve large returns on innovation, people experience and customer value. Digital fluency is the key to unleashing employee agility.
- **Digital Bank Foundations** - Banks should continue to invest in their digital infrastructure. Whether modernizing, converting, or replacing your core commercial applications, the transition to a fully digital infrastructure requires institutional attention, vast available resources, and patience. The transformation of commercial lending and accounting should be the primary goal for banks. These systems are important for any digital foundation and are a vital aspect of a bank's business infrastructure.
- **Digital ROI** - Even when core technology accounts for more than 80% of a bank's digital investment, the new digital capabilities it brings will account for more than 50% of business capability and differentiation. Digital tools should be provided to customers to encourage self-sufficiency. Alternatively, machine learning can be used to produce accurate predictions in conditions of uncertainty. Banks must find a way to transfer scarce resources - financial, technological and personnel - to use the base and generate commercial value, even if it is still ongoing.
- **The digital experience of the bank** - Customers see the value of digitalization in their daily lives. Commercial banks must take the experience of their customers much more seriously. Commercial banks that have taken the lead in building digital customer interactions have not only reduced costs, but also increased their capacity to handle huge numbers of customers.
- **Active Insights** - Data analysis solutions bring concrete benefits to banks if they place stock data in



the hands of relationship managers, loan officers and clients. Given the emergence of less face-to-face interaction and data privacy regulations, commercial banks will need new data and analytics solutions to operate effectively and develop personalized banking services that help meet specific customer requirements. Simple commercial banking solutions give way to more tailored, easily accessible information to spend more quality time with clients, albeit remotely, while reducing administrative duties.

- Evolution in Fintech - Financial services are increasingly being integrated into companies' offerings and experiences. Organizations that are the starting point of customer contact have an advantage when it comes to meeting all the requirements of that customer. Merchants can finance transactions with buy-now-pay-later loans, receive debit cards, and take payments from customers. Although the commodification of banking services is not new, it is expected to accelerate the end of online financial services.
- Corporate Social Responsibility - Clients' quest for sustainability and social responsibility encourages banks to take steps that benefit both them and their communities. Social responsibility has become more central to many of the world's top organizations, especially banks, over the last decade. Although this will have a significantly greater impact on society and the environment than any changes in banking, banks must still prioritize social responsibility.
- Strategic flexibility - To maintain momentum and thrive, banks must build the right structures, portfolios, goals and leadership. There should be greater consolidation of regional banks and possibly the dissolution of distant enterprises, is expected to use parallel tactics by aligning these very real disruptions with the need to restore momentum in their long-term strategic initiatives.

What are the main trends in business banking and how can you position it to profit from them: (Kognitiv, (2021)

- Economic Recovery - Opportunities and Challenges - Offering a wider range of services and access to timely credit to help companies recover from the pandemic. Whether businesses are in survival or growth mode, access to capital is vital, offering constant opportunities for banks to meet these needs.
- Digitalization of business models of business banking - Turning to digital channels and the effort of banks to make greater investments in technology.
- Disruption of traditional credit and takeover patterns - By examining current and projected future financial information, rather than just focusing on past information contained in credit reports and ratings, banks can gain actionable insights to more accurately analyse a borrower's creditworthiness while mitigating risk. Technology such as artificial intelligence and machine learning can help automate this process. Lending solutions that can be adjusted to suit the lender's risk tolerance and lending criteria.
- Alternative Takeover and Credit Data - Many commercial lenders will follow suit by turning to non-traditional information such as social media, credit card transactions or business bank account data to assess a loan applicant's risk profile and creditworthiness. Using alternative personal data can also help improve the lending to start-ups that do not yet have a credit history and must rely on their credit scores to obtain loans.
- Open Banking - Open banking gives customers more control over their data and improves cyber security, while providing banks with a clearer picture of their clients' financial condition and creditworthiness. Real-time access to data on bank accounts, cash flow, payment card accounts, vendor accounts and insurance policies, among other data, allows banks to lend more confidently and better identify the products and services that best suit them and will serve a particular customer.

#### 4. Discussion and conclusion

Historically, business or commercial banks have seen customers from the bank's perception of their needs. In the digital age, customers expect uniquely tailored financial products that meet their business needs and strategic goals: (McCumber, 2021),

- All banks with made transformation want to increase revenue by delivering products and services to meet the five basic daily needs of the business:
  - to make payments,
  - to receive money,
  - receive information that can be applied,
  - to borrow funds and
  - to invest funds.
- As a financial partner to business of all sizes, the bank must deliver innovative products and services that address customer needs. To this end, the bank must perform a series of interrelated engagements between the bank and the client, including:
  - Onboarding - opening accounts and implementing products for customers,
  - Processing - Receiving and clearing transactions from clients,
  - Servicing - maintaining, supporting and closing accounts for clients,
  - Reporting - alerting and informing customers about transactions and balances.
- Banks need to shift from the bank's perspective to customers to deliver what they need daily to run their business.
- Most commercial banks have begun to transform, but for a successful bank transition initiative they must:
  - Provide services that offer a customer experience, focused on real-time payments and real-time information reporting,
  - Provide support for application programming interface (API) with the bank and third parties for participation in the open banking market,
  - Transform inherited core banking systems to increase agility, reduce costs and align spending with business benefits,
  - Adopt of modern technologies, such as robotic process automation, artificial intelligence and machine learning to enhance automation and integration
  - Accept new ways of working, including Agile methods and DevOps to deliver new functionality faster and without interruption of business.

The use of technology has revolutionized the way banks operate. Information technology has had a positive impact on substitutions of traditional services. Networking and interconnection bring new challenges related to security privacy and confidentiality of transactions. Banks focus on research and development and apply a variety of innovative ideas and technology. There is a close link between the development of the banking sector and new innovations in technology and electronic data processing. (Gupta, 2018),

Today's banking landscape looks very different from just a few years ago. Businesses or commercial banks have not yet embarked on digital transformation and explain how embracing digital transformation can lead to greater efficiency and profitability, as well as improved customer relationships.: (Pandalai, 2017)

- Strategic transformation can lead to increased profitability and efficiency - Any significant transformation effort requires prior investment. However, with a careful and strategic approach, banks can develop and deploy solutions that are designed to improve efficiency and increase profitability. Banks have a real opportunity to reduce operating costs, boost revenue, and deliver strong customer relationships through digital transformation. For example, they can use advanced technology, such as machine learning and analytics, to improve staff efficiency, reduce regulatory

- preparation time, and even automate some aspects of decision making.
- Digital transformation contributes to improved security and safety - One key benefit of bank transformation is in the area of credit monitoring and compliance. Building and implementing digital capability to detect early loan losses and mitigate risk through real-time monitoring not only boosts operational efficiency but also provides greater transparency at all levels of the bank, including compliance, finance and auditing.
  - Strong digital experience can help strengthen customer relationships and increase banker engagement - A fully integrated digital experience is the key to survival. As businesses continue to digitize other aspects of their business - and the people they lead are becoming more accustomed to the convenience of a personal banking model - it is only a matter of time before commercial banking clients want more digital interactions with their banker and institution. While improving the digital experience undoubtedly requires investment by banks, it could serve to strengthen and expand customer relationships along with encouraging cross-selling. For those banks that provide an online and mobile experience that is intuitive, self-service, or by even downsizing mail and paperwork, the value is clear.
  - Banks embrace digital transformation - For banks, digital and technological solutions can provide valuable opportunities to improve operational efficiency, foster transparency, simplify the customer experience and reduce risk.

The research conducted in this paper showed that all banks face different technological challenges. Banks tend to depend on IT suppliers simply because they need to balance their budgets to implement technology applications as well as human resources with data management capacity, security and software development. The purpose of the research has been achieved, and it has been proven that the impact of the transformation on the operations of banks, especially on business banking, is of great importance.

The transformation, above all the digital transformation, is rapidly reshaping the appearance of the services in the banking space. Although many of the services offered by banks today are like those of previous years, they are now driven by technological capabilities that prioritize the customer experience and meet customer needs. As more aspects of banking are digitized, banks are increasing their focus on several key development areas, including open banking, fintech and payments. In the future, banks can be expected to invest heavily in creating industry-specific expertise, use data and analytics to improve customer experience, and remain relevant in an increasingly competitive environment.

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