Innovation in the field of banking business

The article investigates the essence of banking innovations in Ukraine, identifies their types and defines a special role in the modernization of activities, ensuring the competitiveness and financial stability of banks, as well as in the development of the economy as a whole. Much attention has been paid to the National Bank of Ukraine's innovative supervisory tools, such as: the requirement to form and define each bank's business model for its activities; introduction of a comprehensive supervisory assessment (SREP), which determines the viability of the business model and the sustainability of the bank's development strategy.

The purpose of the article is to deepen the theoretical and methodological foundations of banking innovations, to substantiate scientific and practical recommendations for their development and to enhance the introduction of innovative activities in banking institutions.

Modern dynamic development and increased competition in the banking market in Ukraine are pushing banking institutions to introduce new approaches to doing their own business, as well as to look for new more effective opportunities to obtain positive results and competitive advantages, including through the introduction of innovative customer service technologies, new business, processes, products and services.

Banking innovation - the end result of an innovation that is embodied in the quality of a new or improved product or service marketed, or a new advanced technology used in banking, which improves customer satisfaction, increases competitiveness, and enhances competitiveness and the development of the bank is innovative. Banking innovations are divided into: technological and business process, product, communication (including collaboration with fintech startups). Positive changes from the introduction of banking innovations are achieved by improving existing, developing and implementing new business process management strategies, in particular through the use of reengineering. It is advisable to use benchmarking to determine the most effective methods of reengineering.

The NBU, based on the definition of banks 'business models, performs the Supervisory Review and Evaluation Process (SREP) to determine banks' viability. Considering that the banking system is the main provider and source of differentiated financial resources, the development of its innovative potential will contribute to the sustainable development of the national ecosystems.