

THE IMPACT OF ARTIFICIAL INTELLIGENCE ON SOCIO-ECONOMIC SHIFTS IN THE BANKING SYSTEM OF UKRAINE

У даній роботі розглянуто вплив штучного інтелекту на діяльність банківського сектору в Україні та позитивні наслідки цього. Вказано на підвищення операційної ефективності, покращення взаємодії з клієнтами та сприяння фінансовій доступності, економічному розвитку і стабільності в Україні.

Ключові слова: штучний інтелект (ШІ), банківська система, автоматизація, цифровізація.

This paper examines the impact of artificial intelligence on the banking sector in Ukraine and its positive consequences. It points to increased operational efficiency, improved customer engagement, and the promotion of financial inclusion, economic development, and stability in Ukraine.

Keywords: artificial intelligence (AI), banking system, automation, digitalization.

The banking sector around the world is experiencing a paradigm shift due to the emergence of artificial intelligence (AI) technologies. The development of these technologies in the banking sector promises revolutionary changes in customer service and optimization of internal processes. And these changes are already happening.

In order to quickly identify risks and prevent their negative impact, artificial intelligence automatically checks large volumes of data, processing millions of pages per day and providing timely information to employees about cybersecurity violations or the detection of financial fraud.

With the help of smart search and intelligent data classification, banking institutions can create a single information and analytical center with different levels of access; automate the functions of storing, copying and deleting data; ensure high search performance regardless of the size of data stores and maximize the relevance of search results.

With the help of machine understanding of text, speech-to-text conversion, chatbots and auto-classification, companies easily solve problems with an overflowing mailbox, comments on web resources and a large number of calls. Voice and text requests to the support service are analyzed and automatically distributed into certain groups (marked as: “complaints about personnel”, “difficulties with the personal account”, “problems with the mobile application”, etc.), reducing the time for processing consumer requests.

For example, Oschadbank has a voice assistant “Sofia”, which advises customers on a wide range of issues, such as making appointments at branches and redirecting customers to the appropriate specialists depending on their requests. Thanks to the use of “Sofia”, 75% of client requests were automated, the time for their processing decreased, and the overall level of customer satisfaction improved.

By analyzing information on the Internet, banking institutions can extract useful information to attract new customers, check the borrower's reliability, enrich already formed customer profiles with new data, and conduct research.

Significantly less time is spent on reviewing documents using the optical character recognition function. Extraction of important information from loan applications, lease agreements, receipts, and other documents will take place in a matter of seconds.

Thus, the advantages of digitalization are optimization of operating costs, reduction of financial risks, improvement of credit scoring (creditworthiness assessment), and ensuring a high level of security of banking transactions.

But it is worth remembering that the transition to innovative technologies requires not only significant investments, but also a comprehensive approach.

Each financial institution must understand technological capabilities and limitations. Banks must take into account the ethical aspects of using AI, ensuring transparency and fairness in decision-making, guaranteeing the confidentiality of customer data.

To address these challenges and maximize the potential of digitalization, banks must develop comprehensive strategies that include investments in technological infrastructure, staff training, developing digital literacy among customers, and ensuring a high level of security of banking transactions.

To address the growing demand for financial technologies and digitalization, in July 2020, the National Bank of Ukraine approved the Strategy for the Development of Fintech in Ukraine until 2025.

The main objectives of the strategy are to introduce new financial products, ensure consumer protection, reduce transaction costs, and create competitive market conditions for financial services operators.

Every day, financial technologies cover an increasingly wide range of services and products, from digital banking and crowdfunding (collecting funds from a large number of people to finance a new business project organized on a special online platform) to insurance and investment management. Payment systems, acquiring systems (electronic payments from customers via the Internet), cryptocurrencies, brokerage companies and cryptocurrency exchanges use modern technologies to ensure fast, secure and convenient financial transactions.

The growth of neobanks and fintech companies indicates a high potential for innovation in the financial sector, providing customers with more options for choice and access to financial services. This, in turn, stimulates traditional banks to intensify their innovation processes and find ways to integrate digital technologies into all aspects of their activities.

To conclude, we can say that by increasing operational efficiency, improving interaction with customers, and promoting financial accessibility, AI contributes to economic development and stability in Ukraine.

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