The need for strategic management in the creation of innovative services in a selected company

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Abstract
An important factor not only for young farmers, but also for people working in the agricultural sector in general, is the right choice of financial services and their providers. In this work, we will look at the current opportunities in the market and what all the people in the agricultural sector can use to perform their profession. This work is focused on current management trends in the selected company. We chose the financial institution Tatra Banka for our work. The aim of this work will be to point out the current trends in management. We will take a closer look at the issues of competition and strategic management, which this company really makes full use of. In order to better be able to imagine what it really means to live and understand the system of such a company. Its vision is slowly being fulfilled every year, but becoming a unit in all segments is a real challenge. Overcoming strong competition in such a specific market is a really tough nut to crack. Tatra Banka has undergone significant internal changes in recent years, which has led to improved services, service offerings and also personnel changes. Introduction of the philosophy of bringing job positions closer to young people. Thanks to these changes, Tatra Banka has not only become a bank, but many have fulfilled their dream or lifestyle. Tatra Banka thus offers extremely fast career growth and attracts an ever-increasing group of qualified young people. As a result, it has succeeded in creating quality improvement processes.

Keywords: bank, client, innovation, technology, trend,

JEL Classification: M10, G21, M30

1. Introduction
The banking system is a system of banks operating in the national economy. Banking the system in the Slovak Republic is two-stage. The first level consists of the National Bank of Slovakia as the central bank and the second stage consists of commercial banks. The work consists of three parts, namely the theoretical part, the practical part focused on the goals, methodology and results of the work. The third honourable part consists of data sources and bibliography. In the first part of the practical part of the work we will get acquainted with the history of the company, its form and especially products and services that can be used by different clients. We will look at the structures and forms that this company uses and especially the communication channels. We will also include marketing strategies and goals. The second part of the work will follow up on the first and we will remember the internal environment of society. Strengths and weaknesses, internal and external analysis followed by swot analysis. We will certainly focus on business management strategies and so we will gradually move to the third, final phase of this work. The third content of the work will focus on the strategies used by this company. We will also look at the individual positive or negative impacts of various decisions and the subsequent impacts or results of these decisions. In part, we will also state the reason why, in some decisions, the company itself may have decided not to make the best strategic decisions directly. We will supper some information with the simple questionary
based on 72 respondents with four main sections. The conclusion of the work will be a summary of all information and possible observations from one's own side. However, we will still not forget that individual observations do not necessarily mean quality observation on our part, as we do not know all the available information that the company itself contains.

1.1 Electronic banking services

The development of the business environment in banking has been dynamic in recent years and is characterized by a number of trends that ultimately have a significant impact on bank management:

1. Development and use of information and telecommunication technologies.
2. Growth of education of bank clients.
3. Decrease in the loyalty of bank clients.

Cashless payment system as defined by Vokorokosová R., 2009, p. 24 laying makes a money transfer through bank (non-cash) money. Cashless money has an intangible form. Their existence is given in the form of records on accounts.

1.2 Redefining the art of the possible in a post-COVID-19 world

The banking industry’s collective response to the pandemic thus far has been notable. It was no easy feat to go fully virtual and execute an untested operating model in a matter of weeks. Despite some hiccups, many banking operations were executed smoothly. Customers were served, employees were productive, and regulators were reassured. Banks effectively deployed technology and demonstrated unprecedented agility and resilience. (Wokoun, 2008; Mareš, 2018) More importantly, banks played a crucial part in stabilizing the economy and transmitting government stimulus and relief programs in the United States, Canada, the United Kingdom, Japan, and many European countries, among others. Banks’ healthy capital levels before the pandemic also helped mitigate the negative impacts from the crisis and should pave the way for the global economy to thrive in the future. (Ifanovská, 2009; Konrádová, 2013; Džmuráňová, 2020)

1.3 Banking with a purpose

While banking seems to be changing, so does the purpose of banks. Societies around the world now expect banks to help address income inequality, racial and gender inequity, and climate change. As vital engines of growth in the global economy through a multitude of roles—financial market intermediaries, asset owners, investors, and employers—banks have a critical role to play in sustainable finance. In addition to helping allocate or redirect capital toward economic activities that are net positive to societies, they can also nudge new behaviours among clients and counterparties. (Nováčková, 2021; Pahhkhenko, 2021)

1.4 Sustainable finance: A unique opportunity for inspiring leadership

The world is beset with unprecedented challenges. The pandemic is perhaps the most formidable test right now, but income, racial, and gender inequities, along with persistent risks from climate change, are no less daunting. Banks have embraced their social purpose with a new energy and focus: how best to contribute to a more equitable and sustainable society. (Horvatova, 2020)
Many banks are embracing this growing power and influence and have been strengthening environmental, social, and governance (ESG) commitments in meaningful ways. Three-quarters of respondents said their institutions will increase investment in climate-related initiatives. Recently, for example, Goldman Sachs announced it will deploy US$750 billion across investing, financing, and advisory activities by 2030 on sustainable finance themes such as climate transition and inclusive growth. Similarly, UBS increased its core sustainable investments by more than 56%, to US$488 billion. (Ondík, 2015; Horvatova, 2020; Moreno 2021)

Similarly, various industry entities, such as the Institute of International Finance, the World Economic Forum (WEF), the Task Force on Climate-Related Financial Disclosures, and the Partnership for Carbon Accounting Financials (PCAF) have also proposed structural changes to climate risk standards and transparency. While banks have made good progress on sustainable finance, there is much more that can be done. (Hussma, 2010; Polouček, 2013; Lartey 2022)

1.5 Need of Innovation in Banking Sector

As we have seen from the individual information provided so far, we see that innovation in the banking sector is not only growing, but also an important element for the competitiveness of the company. We will now take a closer look at the individual trends in banking management based on the information mentioned. Banks were making rapid strides in their digital transformation journey, but the pandemic accelerated the pace. To meet the demands of the new realities, projects that once took months or even years were accomplished in just weeks, such as the banks' response to the US Paycheck Protection Program (PPP). Banks that invested in digitizing their businesses over the last decade demonstrated higher agility and resilience in adapting to COVID-19-led changes than others. (Miklaszewska, 2021; Ćaby, 2022)

However, the first half of 2021 exposed vulnerabilities in banks’ technology arsenals. Nearly four in five respondents agreed that COVID-19 has uncovered shortcomings in their institution’s digital capabilities. Technical debt in the form of legacy infrastructure and data fragmentation across the enterprise continues to impede banks’ digital transformation initiatives. But in many institutions, digital inertia has faded: There is now more appetite for technology-driven transformation, especially in core systems. (Akyüz, et. al, 2021)

1.5.1 Robotic Process Automation

The volume of unstructured data that the bank has to process is increasing exponentially with the rise of the digital economy. This is not just banking transaction data, but also other behavioural data that could potentially allow the banks to improve and innovate customer experience. This has made bankers realize that they need to find technologies that can mimic human action and judgment but at a higher speed, scale, and quality. The answer that has emerged is a combination of various technologies that enable cognitive and robotic process automation in banking. (Tabakov, 2021; Belton 2021)

1.5.2 Quantum Computing and Artificial Intelligence

Business needs and capabilities of AI implementations have grown hand-in-hand and banks are looking at Artificial Intelligence as a differentiator to beat down the emerging competition. Artificial Intelligence allows banks to use the large histories of data that they capture to make much better decisions across various functions including back-office operations, customer experience, marketing, product delivery risk management, and compliance. (Yekimov, et.al 2021; Rozhkova, 2021)
2. Data and Methods

The aim of this work is to present current trends in management in the banking sector. The individual work has an overall informative character, but we can divide it into two main parts, theoretical and practical. The aim of the theoretical part is to summarize the available information to introduce the issue. The aim of the practical side is to apply the acquired knowledge of the theoretical part to practical models and evaluate the results of the work. In order to be able to implement and meet the main goal, which is to bring trends in management in the banking sector, we must also meet the following partial goals of the work, which are:

- Evaluate the currently available information in the given issue and select data or data that concisely describe the current situation and issues regarding trends in the management of the banking sector.
- Define and present a selected company in the banking sector. In our case, Tatra Bank. Introduce the portfolio of products, services, communication channels and the overall profile of the company. This goal also includes a SWOT analysis in our work.
- Through selected employees to conduct a short interview and gain more detailed knowledge or information that will help us to make a final assessment of the issue, followed by 4 section survey. Hypothesis were tested according to survey parameters, taking into consideration variance, standard error, significance level, critical value and region acceptance.
- Finally, the conclusion includes a summary of all available information and knowledge that we obtained as individual results using our models. In this way we can present the results and on the basis of them create conclusions and recommendations in the given issue.

Paper work procedures:

When creating methodological procedures, we use professional work in this area, so we use the following procedure. Professional literature and scientific articles related to the issue or theme of new trends in management of a selected company and data related to the main objectives, supported by articles of newspaper and online magazine publication related to our topic and subsequent processing of information on a theoretical level.

The use of quarterly data provided by the NBS in the Macroeconomic Database, the source institutions. These figures are complemented by Tatra Bank's annual reports for 2020 to 2021 and the relevant statistics. Use of selected data in quarterly periods from the time horizon 4Q2020 to 1Q2021 is performed. As not all indicators were available for this period, to simplify the analysis, we selected all data only for the time indicator 4Q2019.

Use of graphical representation of individual indicators based on the obtained information and data. The individual graphs were selected so as to enable the reader to get closer to the historical development and in the next part of the work also to predict the development of individual determinants.

Separately we prepared SWOT analysis according to available data from Tatra Banka's annual reports and company evaluations. These data were also discussed with selected employees who provided interviews and thus confirmed their possible compliance.
Table 1: SWOT analyses – selected data

<table>
<thead>
<tr>
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<th>TATRA BANK</th>
<th>SLOVENSKÁ SPORITEĽŇA, A.S.*</th>
</tr>
</thead>
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<td>Value</td>
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<tr>
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<tr>
<td>SUM</td>
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</tbody>
</table>

Source: own processing

*Leading bank in Slovakia 2020, according to Trend.sk

Interview of selected employees of Tatra Banka focused on future technologies and managerial trends in the company. The individual questions were selected so that the employees could talk about the issue as openly as possible without compromising the company's reputation. These were selected employees in the managerial position of the PR and AI&IT segment. Based on the SWOT analyses and employees answers, the company should focus on technological strategy and new youth generation of clients.

A simple questionnaire with questions, serves as a supplementary instrument to support new arguments. Its results are presented in this work under an interview with selected employees. The questions were asked to map the current state of electronic banking and the response of respondents to current innovations in this sector. The questionnaire was divided into 4 main section including, the use of bank products, satisfaction with products, experience with new products and the need for new innovative products. The questionnaire which includes phrases on a Likert scale: (1) Strongly agree, (2) agree, (3) Not sure, (4) disagree, (5) strongly disagree.

This work also includes several hypotheses as followed:

**H1- The company is investing a large amount of resources into new technologies and innovations.**

**H2- There is a significant impact of clients’ needs adoption on organization product portfolio.**

**H3 - There is a significant impact to use a strategy of innovative approaches in the banking sector in Slovakia.**
3. Results and Discussion

In order to evaluate our data correctly, we also supported our arguments with the created questionnaire. This questionnaire briefly focused on the use of banking innovations, the willingness of clients to accept increased fees for better services and the overall evaluation of Tatra Bank's current products. This questionnaire was performed on a sample of 72 respondents and 4 respondents were rejected because they did not meet the age requirement. The results of the survey are as follows.

Table 2: Correlations of a survey

<table>
<thead>
<tr>
<th></th>
<th>First Section</th>
<th>Second Section</th>
<th>Third Section</th>
<th>Fourth Section</th>
<th>Total Degree</th>
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<tr>
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<td>.055</td>
<td>.467**</td>
<td>.604**</td>
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<td>.000</td>
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<td>72</td>
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<td>72</td>
<td>72</td>
<td>72</td>
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<td><strong>Second Section</strong></td>
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<td></td>
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<td>.371*</td>
<td>.170</td>
<td>.504**</td>
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<tr>
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<td>.362</td>
<td>.004</td>
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<tr>
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<td><strong>Third Section</strong></td>
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<tr>
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<td><strong>Total Degree</strong></td>
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<td>.504**</td>
<td>.431*</td>
<td>.865**</td>
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<td>Sig. (2-tailed)</td>
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<td>.004</td>
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<tr>
<td>N</td>
<td>31</td>
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</table>

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Table 3: Reliability Statistics

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<th>Cronbach’s Alpha</th>
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Table 4: Item-Total Statistics

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Source: own processing

Figure 1: The most important innovations and improvements in banking based on survey results

Source: Own processing based on survey data

This question was very specific and respondents had the opportunity to express which innovations they use and at the same time which they would consider in the future. Of course, as these were technical terms, explanations were also available for respondents. It can't bother us that chatbots are not a very interesting element, as they are still in the development stage and many times they can't advise the client directly. However, there is great interest in digital assistants (Call & Video) and the applications themselves. A very interesting leap is social responsibility, where up to 58 respondents thought that the banking system should focus more on social responsibility, we can expect an increase in interest in robotic helpers but as a company we are not ready for a virtual environment.

1 In addition to the record, we were confirmed during the interview that Tatra Banka gained great marketing success after the introduction of social and artistic projects, which gained a significant number of clients.
As far as the issue of benefits is concerned, this is how various statistics, in particular time-saving and extensive information options, have been recording for many years. On this question, the respondents also had the opportunity to comment without giving an answer, but each respondent gave at least one.

As usual, too much marketing can sometimes hurt. We also noticed from the results that people are too often contacted by offers - but banks are starting to get used to this problem and rather contact only direct applicants. Negatives such as an impersonal meeting in the bank or a lack of security were ruled out by the respondents. We can evaluate that the questionnaire was successful, many respondents also used question number 8. The most interesting answers were: Bank that has: lower fees, holographic innovations, biometric finger signing, subcutaneous payment cards, investment consultants for ordinary people, investing in the stock market directly in the application, coffee to go at branches, greater social responsibility.
4. Conclusion

Tatra Bank has a plan despite its unfavourable fate, and that is to focus on the long-term horizon. The top management of the company always strokes at least 10 years in advance. What will happen to the young population in 10 years? It will be a working class. That is why it is necessary to catch these people today, and that is why maximum investment is being made in technologies. As mentioned in this chapter, recommendations for findings will be included. At the same time, we make sure that the recommendations are really deduced only within the knowledge from the available information. We know that Tatra Banka as a commercial bank is strongly limited by law, the National Bank of Slovakia and the European Central Bank. Therefore, the recommendations will address purely internal and external aspects that the bank has an impact on and can thus improve its image in the eyes of the client. We were therefore able to correctly confirm all our hypotheses in full scale and, based on the available data and information, we can suggest the following points for improvement:

- Continue to reduce the number of branches within the market and maintain only a few client zones. Rework these zones into future technologies and at the same time create a bank branch with an information center and help for clients who have a problem with technology.
- Banking academies as programs for university departments, where future employees would be trained in a short time. This would help to obtain a better quality workforce, which does not need to be trained in working hours for so long. The basics can be covered without the employee being paid during the university.
- Continue a strong marketing strategy across the social strata and create a strong image of the bank. As before, create individual marketing spots precisely focused on client segments.
- Home bank assistant. If we imagine that the COVID-19 situation will no longer be, then create special help, especially for technologically weaker individuals. The assistant can come to the client's home and help him start internet banking or applications, teach them to use the benefits and thus relieve the branches. Of course, the service would be free of charge and with the possibility of concluding the sale of services on site.
- Special or individual products and services for the agricultural sector, farmers. At present, and these data were confirmed by a controlled interview, most banks consider the agricultural sector rather than risky, unprofitable from the bank's point of view. In this regard, however, the state should step in more and help with all possible means.

From our point of view, Tatra Bank has a high potential, but it must consider whether its future will depend on profits or a stable and loyal clientele. Today we know that clients are more demanding and therefore it is important to satisfy his requirements to the greatest extent. However, we believe in the conclusion that Tatra Bank will always push the boundaries of banking for the better.

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