

The Impact of a digital platform on the financial corporation in modern Russia

El impacto de una plataforma digital en la corporación financiera en la Rusia moderna

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ABSTRACT:

The course taken by digital economy in the 21 century as is being presented by the government of the Russian Federation consists of informational technology capable of creating new markets as well as new opportunities in the financial sector. The successful growth in the digital economy is due to stronger financial positions in corporations, increase in the quantity and quality of financial tools utilized in the digital economy as well as growth in the interaction and preciseness of structures within financial institutions. A Financial corporation is defined as a legal entity in possession of organizations which function within the financial economic sector with a focus on credit, commercial banking, financial investment institutions, non-banking financial organizations, insurance companies, stock exchange and pension funds. The author discusses the digital economy in the context of Uralsib which addresses the decreasing of face to face contact between clients and front office representatives and the eventual shifting towards distance-based services. The practical application of digital economy with a focus on financial corporations can provide countries with better economic development, an increase in the number of successful startup businesses, digitalization of business processes, a stronger cybersecurity, better access of financial services for clients and more opportunities to educate the public on financial matters. The social impact that a move from corporations to a digital model can have by utilizing digitalization demonstrates how digital development

RESUMEN:

El curso tomado por la economía digital en el siglo XXI, tal como lo presenta el gobierno de la Federación de Rusia, consiste en tecnología informacional capaz de crear nuevos mercados y nuevas oportunidades en el sector financiero. El crecimiento exitoso de la economía digital se debe a posiciones financieras más fuertes en las corporaciones, aumento en la cantidad y calidad de herramientas financieras utilizadas en la economía digital, así como el crecimiento en la interacción y precisión de las estructuras dentro de las instituciones financieras. Una corporación financiera se define como una entidad legal en posesión de organizaciones que funcionan dentro del sector económico financiero con un enfoque en crédito, banca comercial, instituciones financieras de inversión, organizaciones financieras no bancarias, compañías de seguros, bolsa de valores y fondos de pensiones. El autor analiza la economía digital en el contexto de Uralsib, que aborda la disminución del contacto cara a cara entre los clientes y los representantes de la oficina y el eventual cambio hacia los servicios basados en la distancia. La aplicación práctica de la economía digital con un enfoque en las corporaciones financieras puede proporcionar a los países un mejor desarrollo económico, un aumento en el número de negocios exitosos, digitalización de procesos comerciales, una ciberseguridad más sólida, un mejor acceso de los servicios financieros para los clientes y más oportunidades para educar al público sobre asuntos financieros. El impacto social que puede tener el paso

can strengthen the economic state of a country in all its spheres. The most difficulty presented in the topic is found in the authors choice to delve deeper into digital models of financial corporations within Uralsib; a study that needs to be more integrated into business processes. The result of this study can challenge the digital economy of Russia to implement more practically based programmes within the financial sector.

Keywords: Digital economy, financial corporation, Uralsib, digitalization, digital model of financial corporation.

de las corporaciones a un modelo digital utilizando la digitalización demuestra cómo el desarrollo digital puede fortalecer el estado económico de un país en todas sus esferas. La mayor dificultad presentada en el tema se encuentra en la elección de los autores de profundizar en modelos digitales de corporaciones financieras dentro de Uralsib; un estudio que necesita estar más integrado en los procesos de negocios. El resultado de este estudio puede desafiar la economía digital de Rusia para implementar programas más prácticos dentro del sector financiero.

Palabras clave: Economía digital, corporación financiera, Uralsib, digitalización, modelo digital de corporación financiera.

1. Introduction

The constant expansion among economic organizations within the financial systems requires the continual pursuit of new and innovative technology that would help to generate new ideas for the development of their products. Moreover, the ever-changing atmosphere in the financial system demands a constant search for tools that can improve the quality of competition and ultimately lead to the reduction of costs [Amit, Zott, 2001]. First of all, focus should be placed on the rapid growth of the internet which results in more and more of the economic processes being done with the help of the internet by individual organizations and the entire country on a whole. This positively affects the product, contributing to an increasing demand for the product by clients. [Dobrynin et al., 2016].

The Government of the Russian Federation established an order on July 28, 2017, called "the Digital Economy of the Russian Federation Program". In the context of this order, the transformation of a digital society is understood as the strengthening of global economic advantages and national security within the country. One of the main aspects discussed by Prime Minister D.A. Medvedev in addressing the issue of increasing the country's competitiveness on the international market by 2024, concerned the transformation of the economy by increasing its digitalization country wide. The development of the digital economy means its fundamental change at three main levels: 1) within markets and sectors of the economy, where there is interaction among suppliers and consumers, as well as services and labour 2) at the level of innovation and technological development, where new markets and sectors of the economy are established and developed; 3) within the sphere of a new digital environment which provides the conditions for the successful development of the first two levels of activity mentioned above. Special attention is focused on regulatory regulation, personnel as well as information security.

Apart of the main directive, covering solutions for issues concerning the organization of the systematic development and integration of digital technologies, touches on economics, urban management, social activities and entrepreneurship and management at the state and municipal levels.

Based on the accepted programs for developing a digital economy, groups were categorized within the framework of state priorities as follows a) legislative and regulatory systems b) control systems; c) public administration; d) smart city; e) information security; (e) Infrastructure; g) education and personnel; h) digital healthcare; i) scientific research. For each of these groups, detailed plans have been provided to ensure the consistent implementation of the goals and objectives decided upon. The regulatory and legal framework that facilitates the implementation of the program will be created after the amendments have been finalized by the legislative body in 2018.

Finally, digitalization has been realized with the processes of interaction between financial organizations in the creation of goods, the formation of a long-term strategy and successful project activity. In this case, in this context, it is not just about that traditional economic processes acquire new ways of interacting in digital systems, it is also about the fact that the economy of the 21st century is fundamentally changing and becoming digital. At present, the process of defining the above concept has not yet been completed, discussions are still ongoing to adequately define such terms as "digital economy" or "digital economy",

"API economy" (Application programming interface) or "application economics", "knowledge economy ". It is interesting to note that for the European scientific community the term "digital economy" is more typically used, while the American scientific community utilize the term "API economy".

When analyzing the impact of the digital economy, mention should be made of industries such as retail, education, transport, the media, health, manufacturing and financial services. At the head of this economy lies information and communication technologies as well as a worldwide Internet network that allow for multifaceted development, creation of new markets, sharing of achievements and other experiences among participants.

2. Methodology

A corporation is one form within organizations of economic activity, which is widespread in the modern market economy. The economic growth of the country and the creation of a favorable investment climate relies on the competent management of such a corporation. Corporations as one of the forms of business realization in modern economic activities contribute to: a) the potential growth of opportunities in the distribution of cash and investment flows; b) tax planning; c) attractive capital for the optimization of resources; d) accelerating the processes of diversifying the organization's activities; e) effective risk management [Morozova, Kruglik, 2012].

The legislation of different countries outside the jurisdiction of Russia interpret the term "corporation" in different ways. The interpretation and use of the word spans from the use of the words in from different points of view to the total prohibition of the term in places like France. In Germany and Switzerland, all legal entities are divided into institutions and corporations. In the UK, a corporation is identical to a legal entity, since the basis for the division is due to the unity or amalgamation of these bodies. In the US, corporations can be divided into: a) public and semi-public; b) entrepreneurial and non-entrepreneurial [Gruzinov, 2009]. In the Russian Federation, the term "corporation" is mentioned in Article 7.1 "State Corporation" of the Federal Law as "related to Non-Profit Organizations." The main goal of a corporation as a legal entity is to extract profit, where the authorized capital consists of dividends (shares), which, in turn, certify the obligations and rights of the participants in relation to a legal entity [Mogilevsky, Samoilov, 2007]. A Corporation distinguishes itself by its wide activities and roles, by its essential position in the relevant markets and by the developed systems economic ties as well as formed organizational structure [Feng et al., 2001].

By financial corporation we mean a legal entity, which includes a certain number of organizations operating within the financial sector of the economy. Thus, the financial corporation conducts the main activities in areas of long-term and short-term borrowing and credit. A corporation may also include commercial banks, financial investment institutions, non-bank financial institutions, insurance companies, stock exchange and/or pension funds. the financial corporation mentioned above is one of the levels of economic integration [Efremov, Vladimirova, 2016].

On the part of the state, the impact on the financial sector in the Russian Federation takes place through monitoring the implementation of the legislative and regulatory framework. The successful development of the economy is assured by the following: the development and strengthening of positions within the financial corporations, the increase in quantity and improvement of the quality of financial products and finally, the increasing interaction and clarity of the structure governing financial institutions. In the absence of clear boundaries where the financial sector of the economy concerned, financial actions will be taken as a last measure taking into account the provision and organization of financial services and the monitoring of the processes for the movement of funds.

The Financial corporation of (FC) URALSIB was founded in the Russian Federation in 1993. Today, this organization is an association with several responsibilities including but not limited to: asset management business, URALSIB Bank, leasing business, brokerage business, insurance business and private banking business URALSIB - Private Bank. Moreover, the banking business is the largest, serving most of the clients of FC URALSIB.

There is also a developed network of additional offices in major cities of the country. Through this network, almost all financial products of the corporation are achieved. For this reason, it is necessary to strengthen the digitalization of basic business processes and banking models to meet the challenges of the digital economy, especially where the risks of digital inequality is concerned.

Digitalization is conceptualized as an entire range of information and communication resource which is actively transferred to a digital network, creating the possibility of full access to all information. That is, digitalization includes not only the automation of classical financial organization processes, but also allows you to enter new channels of customer service. The Omni-channel concept solves customer service issues, giving them the opportunity to get their problems resolved through internet banking or the call center, as well as through social networks, chat rooms, partner and agent networks. Such opportunities increase customer loyalty, reduce the time needed to resolve queries, and lead the corporation to a level where a wide range of services and products allow the corporation to be competitive in a modern digital society [Sia et al., 2016].

3. Results

The financial corporation being discussed in this paper undergoes constant updating to satisfy the requirements of the digital service model. The distinctive features and functioning characteristics are highlighted in order to understand the specifics of the development with the customer service sector and the integration of digital methods. The following are accepted as existing under the main rating parameters within the digital model in the financial corporation URALSIB:

1. The structure of money supply. The financial corporation undertakes to redistribute the main part of the money supply, which leads to forming the nature of how money is managed. The main forms of cash turnover are cash and non-cash. Recently, the share of non-cash funds is increasing and, accordingly, the share of cash is decreasing.
2. Security is one of the most important parameters that affect the state of the economy as well as the condition and stability of the financial corporation in a digitalizing environment.
3. Technologies for the implementation customer service model. This implies the release of personnel as well as the transition to a digital platform which are managed by such parameters as the storage of client data, access to them and types of computer networks used [Setia et al., 2013].
4. The organizational structure of the financial corporation which is aimed at reducing the number of departments, divisions and focuses on increasing the level of their technological development.
5. The Interaction with clients to create new efficient channels for the provision of financial services as opposed to the physical contact done in traditional banking. Also, various types of distance connections by telephone, terminals, mobile and by Internet banking can be established. [McGovern, 2017].

Therefore, the digital model of the financial corporation URALSIB satisfies the main aims, which consist of reducing the direct physical communication between clients and front office representatives while moving towards more subsequent to remote transfers channels that completely satisfy the clients' needs and demand for the financial products [Dolgushin, Poltoradneva, 2016].

Since its inception, the financial corporation URALSIB has positioned itself as an organization that is constantly in search of ways to integrate the latest business solutions, products and services. Developing banking, investment and insurance business, FC URALSIB strives to be a highly technological company, where such principles as openness, transparency, reliability and security are actively supported.

The concept of digital development which contributes to the strengthening of the country's economy as a whole determine The social impact that financial corporations may experience by transitioning to a digitalization platform. The practical value of this strategy includes: 1) ensuring the availability of financial services and products through the development of Internet resources, the digitalization of business processes and the speed of processing requests; 2) increasing the level of cybersecurity (by developing security systems using the

latest digital capabilities); 3) active support of financial and technological projects, the results of which will be applied in the future platforms and systems of the FC; 4) increase the level of financial literacy among clients and people in general (through the implementation of certain Internet projects, such as the University of Business URALSIB); 5) assisting the economic development of the country (through participation in national and regional events and projects aimed at strengthening knowledge and sharing experiences in the digitalization of the economy); 6) developing and offering clients the newest products and services through new service channels that satisfy concerns of convenience and safety; 7) sponsorship (participation in various financial start-ups).

4. Conclusions

The economic development of Russia is directly affected by the state of the digital economy which has seen high perspectives in the 21st century. [Babkin et al., 2017]. The Internet being the core of the digital economy, stimulates growth within the financial sector. At present, the country has all the technical capabilities to foster innovative platforms and implement them in the government's adopted model for the development of a digital economy.

In order to move towards a fundamentally new stage of technology with the goal of being highly competitive, the financial corporation should find answers for the following challenges: the increasing of the shares of non-cash turnover through the creation of a developed online infrastructure; ensuring that customers have full access to the online resources of the financial corporation; Expanding the range of distance services and products; strengthening the security of business processes in a digital environment. The answers to the above-mentioned challenges can be met through the digital model of a financial corporation such as the one proposed in this article in the context of FC URALSIB.

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