

Issues of Application of Information Technologies in the Calculation of Wages in the Republic of Uzbekistan

Nargiza Ashurovna Shaymatova

Lecturer of Department of Finance at Termez State University

Abstract: The article theoretically analyzes the importance of the development of the digital economy in financial services. In particular, the legal framework and practical processes for accelerating the transformation of banks in Uzbekistan have been studied.

Keywords: Monetary system, banking, digital economy, transformation, banking services, innovation, remote banking services.

Introduction

Today, as a result of the development of the digital economy in the country, the demand for new innovative electronic services of commercial banks has increased. It is popular among the population to be able to perform many operations on a single phone, computer or other information technology without going to the bank building.

You can also go to the mobile app or official website of the selected organization to get the information you need, make various payments, place an order and send a complaint or objection.

Now, as a result of digitization of information stored in the electronic database, programs and devices have been created that allow you to conduct banking operations in a few seconds, which previously had to wait a certain period of time.

Such a rapid penetration of information and communication technologies into our lives has sharply intensified the globalization of world economic relations, competition in the market of suppliers of goods and services, including financial services.

The wide introduction of information and communication technologies in the banking system in accordance with modern requirements, and thus the automation of many banking services has accelerated. In order to create the necessary conditions for the widespread introduction of modern information and communication technologies in the Banking Reform Strategy of the Republic of Uzbekistan for 2020-2025, automation of business processes of commercial banks and expansion of remote banking services, modern information and communication technologies in the process of corporate transformation of commercial banks. The main tasks in the field of implementation are identified:

- Expansion of the number and coverage of remote banking services, including contactless payments;

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- Extensive use of automated scoring system, digital identification and credit conveyors;
- Strengthening the information security of banking information and systems;
- Wide introduction of new concepts and technologies in the banking sector (fintex, digital banking).

The purpose of these tasks is to increase the financial and legal literacy of the population in the development of the digital economy in the country, to accelerate the integration of our country in the international arena.

It is known that the process of digitization of banks is to build a relationship between the bank and the customer on the basis of digital information and communication technologies. In this process, it is important to provide financial services to bank customers in a convenient, high-quality and fast manner, reducing operating costs.

Analysis of the relevant literature

In recent years, the banking system of Uzbekistan has done a lot to improve the quality and scope of banking services. However, changes in the world, the process of globalization, excessive development of competitiveness, further intensification of the transformation process of commercial banks, the need to take banking services to a new level.

A number of economists have given their definitions of the digital transformation. In particular, foreign economists T. According to Ablyazov, V. Asaul [3], the process of digital transformation means the improvement of existing business models, as well as the use of digital technologies to increase work efficiency. This process involves the constant introduction of innovative technologies, which will lead to a complete digital transformation of the entire economy. Russian economist Vadim Arkadevich Koshcheev [4] believes that in terms of financial sector development, digital transformation will be studied as an improvement in practical ways of doing business that will create a new work environment.

Well-known Uzbek economist, deputy of the Legislative Chamber of the Oliy Majlis of the Republic of Uzbekistan, Doctor of Economics, Professor. N.Kh. Jumaev "In the digital economy, using IT will reduce costs, resulting in optimization and increase efficiency. In the digital economy, modern scientific approaches and innovations will be important and priority. At the same time, it emphasizes the development of industries with high scientific capacity [6].

In addition to the above considerations, we believe that the development of the digital transformation in the banking sector should be achieved through a careful study of customer needs and analysis of existing opportunities, through the development of a new innovative customer-oriented strategy.

Research methodology

Research methods such as statistics and comparisons were used in the study. Brief description of the results of the research:

- The scientific and legal basis for the transformation of commercial banks in the digital economy was studied;
- The current state of the transformation process of commercial banks and the practice of introducing new innovative financial services were analyzed using economic indicators;

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- As a result of the research, conclusions and proposals were developed on the organization and improvement of new innovative banking services to accelerate the transformation process of commercial banks.

Analysis and results

Over the past 4 years, the country has adopted favorable decisions and decrees that have a direct impact on the transformation and development of the banking system:

Law «On the Central Bank of the Republic of Uzbekistan» (in the new edition);

Law «On Banks and Banking» (in the new edition);

Law on Payments and Payment Systems;

“On Priority Measures to Liberalize Monetary Policy” (No. PP-5177, 02.09.2017);

«On measures to further develop and increase the stability of the banking system of the Republic» (No. PP-3270, 12.09.2017);

Decrees «On the strategy of reforming the banking system of the Republic of Uzbekistan for 2020-2025» (PP-5992, 12.05.2020).

As a result: cash problems were solved due to the liberalization of the foreign exchange market;

Some republican organizations and local authorities are finding it difficult to change or assimilate the notion that banks are business entities. It is still not clear that banks are commercial organizations, first of all, for commercial purposes and should be organized on the basis of market mechanisms.

There are still cases when banks perform tasks outside their core business interference in the activities of banks is still going. Expectations from banks and the banking system in the regions for the implementation of policies of socio-economic significance remain high.

Suitable commercial projects for the development of banks were not financed. Banks have always been involved in the implementation of projects after mandatory assignments.

Nowadays, data is exchanged electronically between subjects, and with the automation of business processes in all sectors of the economy, the creation of electronic databases of all databases has begun. An electronic integration of accounting and management systems is being formed, and a CRM customer relationship management system is being created.

Digital changes in the banking system have optimized the bank's business models, and the development of the banking segment is accelerating changes in the field of financial operations, from remote banking services.

As a result of growing demand in the market of banking services, competition has increased and the need to use new opportunities of information and communication technologies has increased.

Clients have a choice of where and when to use financial services. The offices of banks working around the clock (24/7) are the result of studying these needs. Examples of these needs are the electronic payment system in the financial market, electronic money, remote banking services, including banking products provided via the Internet, bank terminals and the automated banking center.

The use of digital financial technologies is optimizing the possibility of active cooperation between the state, payment service providers and customers. This leads to the introduction of new methods of banking services and the creation of innovative attractive banking products.

It should be noted that the COVID-19 coronavirus pandemic has affected the rapid development of digital financial services. Before the start of quarantine, the population did not have much knowledge about e-banking services, and whatever they had to do, they would go to the bank and try to solve it.

Although banks have developed mobile applications or developed various applications that allow them to use other banking services remotely, many have not used them. Advertising (had to be done) at great expense to inform the public about it.

The population, which could not leave their homes due to quarantine, also felt the need for remote banking services, began to search, study, demand and use the necessary services through electronic programs. This has led banks to pay more attention to electronic applications, improve remote services, mobile applications and software with the help of experienced IT staff.

In other words, the development of digital financial services has become an important direction in the development of the country's banking and financial system. The regulatory framework of the industry is being improved, the development of payment infrastructure, the entry of payment organizations (fintex companies) specializing in the provision of remote banking services is encouraged.

The legal framework for the provision of remote banking services in the banking system of the country has been created. In particular, the Law of the Republic of Uzbekistan «On Payments and Payment Systems» adopted on November 1, 2019 is of great importance.

It is known that on the initiative of President Shavkat Mirziyoyev in 2018 the task was set to develop a «National Concept of Digital Economy» for the development of the digital economy in the country, which provides for the modernization of all sectors of the economy on the basis of digital technologies.

On October 5 this year, the Decree of the President of the Republic of Uzbekistan «On approval of the Strategy» Digital Uzbekistan - 2030 «No. PP-6079 and measures for its effective implementation» was adopted.

The decree sets a number of tasks to create a favorable environment for the national market of digital technologies and the development of promising «digital» startups.

In particular

- in the implementation of startup projects for start-ups and small businesses in the field of information technology;
- Development of new innovative solutions and their subsequent implementation by ensuring effective interaction between business entities and government agencies
- support and development of demand for local technological and software products in foreign markets.

In addition, the Decree of the President of the Republic of Uzbekistan dated February 19, 2018 PF-5349 «On measures to further develop the field of information technology and communications», March 23, 2018 No PP-3620 «Additional measures to increase the popularity of banking services.»

Resolution of the President of the Republic of Uzbekistan dated July 3, 2018 No PP-3832 «On measures to develop the digital economy in the Republic of Uzbekistan», as well as the Cabinet of

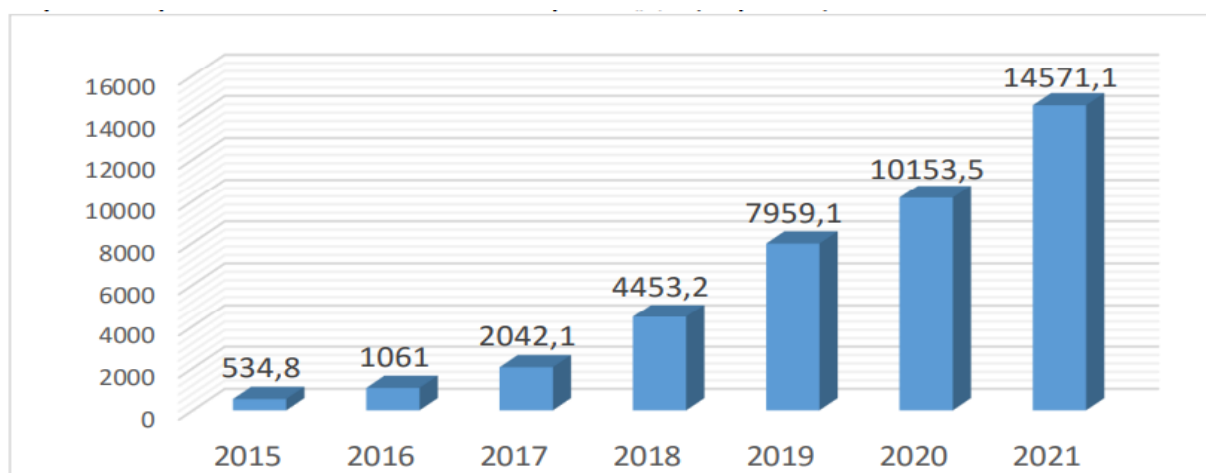
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Ministers of August 31, 2018 «On the introduction and further development of digital economy in the Republic of Uzbekistan» The Resolution “On Additional Measures” is also a legal basis for the development of remote banking services in the digital economy.

At the same time, the number of users of remote banking services in the country is growing rapidly (Figure 1).

Fig1.

Figure 1. Dynamics of the number of users of remote banking systems (in thousands)



From the data of Figure 1, the number of users of remote service systems to bank accounts (mobile applications, internet banking, sms payment) as of January 1, 2021 is 14571 094. The main reason for this is the fact that today the population is widely using mobile applications of commercial banks.

Table 1.

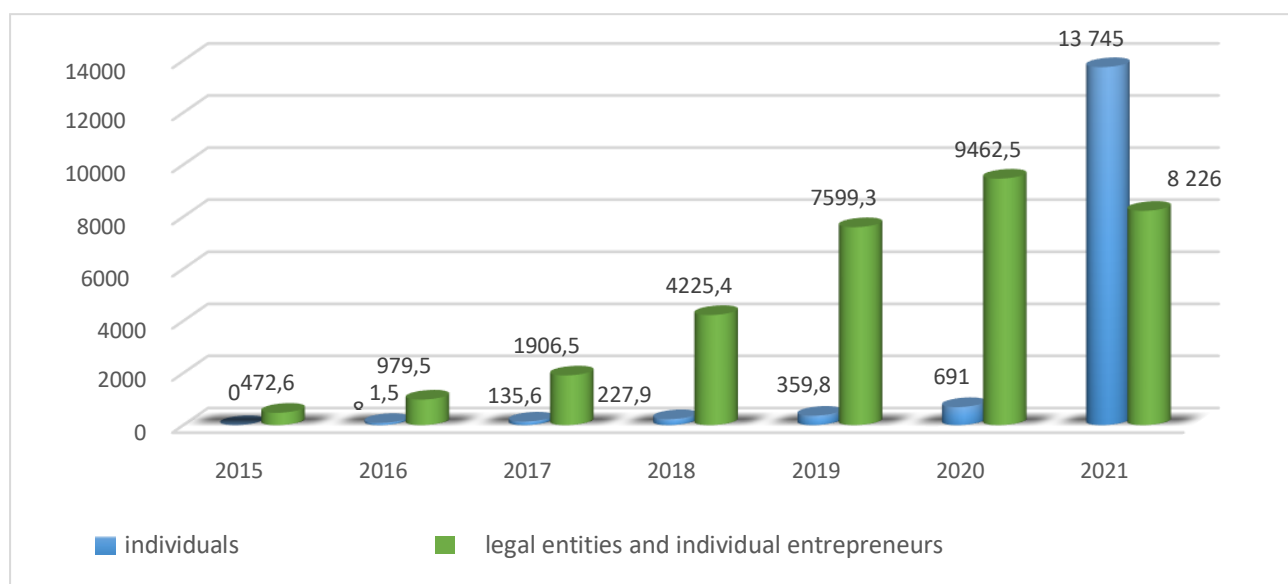


Table 1. Dynamics of users of remote banking systems by type (in thousands).

It should be noted that during the quarantine period associated with the coronavirus pandemic COVID-19, the provision of remote banking services to individuals increased by twenty times. The

use of remote banking services by legal entities and individual entrepreneurs decreased compared to 2020 and amounted to 822,518.

In terms of banks, the number of legal entities using remote banking services in 2021 reached 117,298 in Ipoteka Bank, 110,104 in Agrobank, 95,347 in People's Bank, 81,270 in Hamkorbank and 61,633 in the National Bank (Table 2).

Table 2.

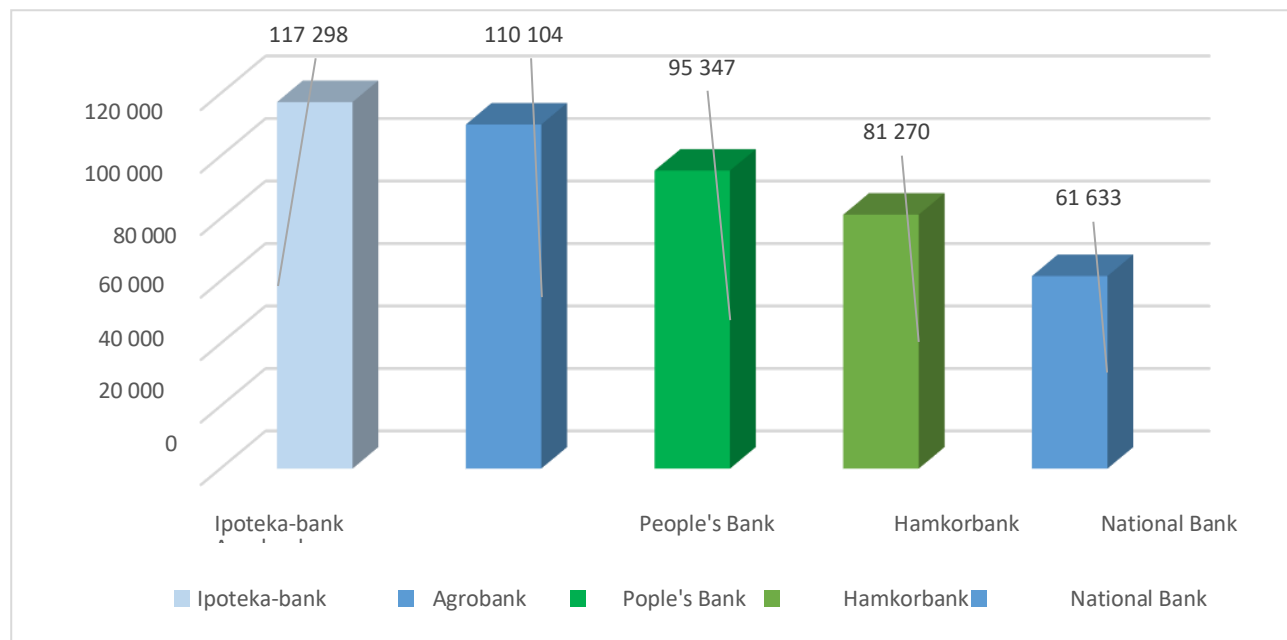


Table 2. Information on the number of legal entities using remote banking services by banks in 2021

Also, the largest number of users of individuals was Agrobank - 2355155, People's Bank - 2148750, Sanoatqurilishbank - 1667420, Ipoteka Bank - 1300787, National Bank - 1191694 (Figure 4).

Based on the analysis of the above data, we have every reason to say that the process of remote implementation of financial services of banks in the country is developing rapidly.

Conclusions and suggestions

In short, the development of the digital economy in the country, the remote provision of banking services to raise the economy to a new level, the implementation of transformation processes in banks

In order to expand the process in this regard, in accordance with the Presidential Decree No. PP-5992 of May 12, 2020 «On the Strategy of Banking Reform of the Republic of Uzbekistan for 2020-2025», starting this year, banks will undergo transformation processes.

According to the decree, the introduction of modern technologies, expansion of the number and coverage of contactless payments, automated scoring system, digital identification, widespread use of credit lines, introduction of business models based on the principles of digital banking, as well as the establishment of the first digital AnorBank in Uzbekistan. Started in 2021.

In our opinion, in order to develop the digital economy in banking and financial services, it is necessary to address the following issues:

- Banks should further develop the role of the locomotive of the economy and move faster, and form and implement financial services, taking into account the competitive advantages, specialization and growth points;
- The fact that banks are commercial organizations, first of all, should be for commercial purposes and work should be organized on the basis of market mechanisms;
- It is necessary to prevent the banks from performing tasks outside their core business.

As a result, the development of the digital economy and the further expansion of remote banking services in it will improve the living standards of the population, increase the transparency of the economy and the widespread use of information technology.

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