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Importance of Digitization in Finance

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Abstract: Digitalization is one of the most urgent problems, it is necessary for companies to gain competitive advantages, increase their efficiency and improve business performance. The purpose of the study is to identify the relationship between the financial performance of companies and the degree of digitalization their business processes. Operating profit was chosen as the main financial indicator, which reflects the results of the current core activities of companies. To calculate the digitalization index, information data from McKinsey was taken based on six dimensions: digital marketing, experience with digital products, e-commerce, electronic customer relationship management (E-CRM), social networks.

Keywords: Digitalization, Finance, Economy, Transaction, Monetary.

Introduction.

Digitalization is one of the most urgent problems for Russia; companies need to gain a competitive advantage, increase their efficiency and improve business performance. The aim of the study is to identify the relationship between the financial performance of Russian companies and the degree of digitalization of their business processes. Operating profit was chosen as the main financial indicator reflecting the results of the current core activities of the companies.

Digitalization is traditionally understood as transforming existing processes into digital counterparts and thereby gaining benefits in terms of financial and operational efficiency. This process is a key business trend today: more and more industries are launching a strategy to actively implement digital tools (digital transformations) in their business processes. Digital transformation should be understood as something much more than just implementation new technologies. Digitalization is restructuring business models, changing the approach to maintaining internal and external processes. In addition to new technologies, companies need completely new skills, corporate culture, organizational and operating models.

Main part. Digitalization is the introduction of modern digital technologies in various spheres of life and production. In the late 90s of the XX century, the world began to talk about IoT technologies and the digital economy, while in Russia at that time the first mobile phones had just begun to appear. More than 20 years have passed since then, and the Internet of things has become a commonplace for us: almost everyone has smart devices at home, of which there are already more than 26 billion units worldwide, and almost 20 million SIM cards were bought from us last year alone. cards for IoT equipment.

Globally, digitalization is a concept of economic activity based on digital technologies that are being introduced into various spheres of life and production. And this concept is widely implemented in all countries without exception.

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Digitalization technologies have been successfully introduced in Russia over the past years. But if the process has been running for a long time, then why do we not see its scale? It's simple: one of the indicators of successful global digitalization is open information that changes social, political and business processes and leads to an improvement in the quality of life.

The first industrial revolution is associated with steam, the steam engine and machine production, which combined living labor with machines.

The second industrial revolution with its internal combustion engine, electricity, the H. Ford conveyor and the mass market has advanced humanity along the path of communications, economic and social progress.

The third industrial revolution of the mid-twentieth century. united science and production, introduced the atom, electronics, industrial robots and information technology into production, automating it. The fourth industrial revolution builds on the achievements of all previous industrial revolutions, raising humanity to a higher level. During the first three revolutions, heavy physical labor was gradually replaced by machines. Today, human, living labor is being supplanted, replacing it with robots endowed with artificial intelligence. At the origins of the 4th the United States, China, Japan, South Korea and the leading countries of the European Union, which have become its leaders, face the revolution.

If we cannot talk about the global digitalization of the country, then why do we use the expression “the era of change has come”? Change is really coming. Smart home appliances take care of themselves, information is revealed, production processes are controlled by machine vision, robots replace humans in hazardous jobs. But all this works only if you live in large cities of Russia, where at least there is electricity and a cell tower. The era of change is taking place within large cities and industrial centers. And then, as usual, everything is complicated.

Global digitalization sounds impressive. Let's tell in simple words, what is it and why is it good for everyone?

To begin with, we divide our life into components. We all depend on the efficiency of the government, buy goods and services online and offline, communicate and use information. Digitization makes all these processes easier.

Where digitalization is applied right now:

- at home;
- in production;
- At work;
- in state structures;
- in business.

Consumer digitalization for the majority has long become understandable and familiar. And we are not talking about some sophisticated and expensive systems like a “smart” home - even an ordinary multicore with Wi-Fi control, which many people have, is a vivid example of household digitalization. Many people often use another digital system - alarms. A special sensor monitors whether there are strangers in the apartment, and if they are detected, it signals to the desk officer on duty. There are more complex systems that block the exits from the premises in the event of an intrusion.

Industrial digitalization is engaged in the reduction of monotonous physical labor for a person, organizes and controls labor and production processes and ensures the safety of company employees. Suppose a simple worker goes to his place to the machine, but for some reason the siren turns on, and the employee

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himself is informed of a safety violation. This "smart" video analytics system noticed that the worker entered the workshop without a helmet, gave a signal and saved the man's life.

Conclusion. "Smart" systems using machine vision identify defective parts, and a video surveillance system monitors compliance with safety regulations. The same systems are used in non-manufacturing companies and even in small offices.

The state is introducing digitalization in all its verticals. The data analysis system has long been effectively used in the executive branch. A vivid example is the search for criminals using online cameras on the streets or the ability to send an appeal to the right authorities via the Internet. One of the main merits of the digitalization of the state is the reduction in the amount of paperwork and bureaucracy in the preparation of documents. Certificates and passports can be ordered through the application, where you can store and update all data. The only danger of digitalization is the decrease in the importance of a person in many processes and the likely disappearance in the future of entire professions that robots will be better able to handle.

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