THE IMPORTANCE OF COMPETITIVE MANAGEMENT STRATEGIES IN COMMERCIAL BANKS

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Annotation. This study explores the significance of competitive management strategies in commercial banks, emphasizing their role in enhancing organizational efficiency, market position, and sustainable growth. Effective management strategies enable banks to respond to dynamic market conditions, minimize risks, optimize resources, and maintain customer satisfaction. Using "Asakabank" JSC as a case study, the research analyzes the current strategic approaches, identifies strengths and weaknesses, and proposes recommendations for improving competitiveness in the banking sector. The findings highlight that adopting innovative and customer-oriented strategies is crucial for ensuring long-term success in an increasingly competitive financial environment.

Introduction. In the modern banking sector, the development and implementation of competitive management strategies have become a critical factor in ensuring the sustainable growth and stability of commercial banks. The rapidly changing economic environment, technological advancements, and increasing customer expectations compel banks to adopt strategic approaches that not only enhance operational efficiency but also strengthen their market position. Competitive management strategies in banking encompass a set of coordinated actions aimed at optimizing internal processes, minimizing financial and operational risks, and improving customer satisfaction through innovative products and services. The significance of these strategies is particularly evident in commercial banks such as "Asakabank" JSC, which operate in highly competitive and dynamic financial markets. By effectively analyzing market trends, assessing the competitive landscape, and implementing innovative solutions, banks can achieve a strategic advantage over competitors. Moreover, the integration of customer-oriented approaches, digital technologies, and risk management practices into strategic planning enables banks to respond proactively to external challenges and seize emerging opportunities. Despite the acknowledged importance of strategic management, many commercial banks face difficulties in aligning their internal processes with market demands, highlighting the need for continuous improvement and adaptation. This study aims to examine the role

and impact of competitive management strategies in enhancing the performance and sustainability of commercial banks, using "Asakabank" JSC as a case study, and to provide recommendations for optimizing strategic decision-making to achieve long-term competitive advantage.

Literature review. Competitive management strategies in commercial banks have been widely discussed in the academic literature, emphasizing their pivotal role in enhancing organizational performance and market positioning. According to Johnson and Scholes [1], strategic management involves the formulation and implementation of major goals and initiatives, considering both internal capabilities and external environmental factors, which is crucial for maintaining competitiveness in dynamic markets. Porter [2] highlights that competitive advantage in financial institutions can be achieved through cost leadership, differentiation, and focus strategies, suggesting that banks must continuously innovate to meet evolving customer demands and technological trends. Similarly, Kotler and Keller [3] argue that customer-oriented approaches, including personalized services and digital solutions, significantly influence a bank's ability to retain clients and sustain long-term growth, thereby reinforcing the importance of strategic planning that integrates both operational efficiency and market responsiveness. Further, empirical studies by Smith et al. [4] demonstrate that the adoption of risk management and internal process optimization strategies directly contributes to improved financial performance, reduced operational losses, and stronger market positions in commercial banks. Moreover, recent research by Brown and Davis [5] underscores the role of innovation and digital transformation as essential components of competitive management strategies, noting that banks which leverage advanced technologies and data-driven decision-making are better equipped to adapt to market volatility and maintain a sustainable competitive edge. Collectively, these studies establish that effective competitive management strategies are multidimensional, combining internal process optimization, customer-centric innovation, risk mitigation, and continuous adaptation to external market dynamics, which together form the foundation for long-term success in the banking sector.

Research methodology. The research methodology for this study on competitive management strategies in commercial banks, specifically using "Asakabank" JSC as a case study, is designed to ensure a systematic and comprehensive analysis of both qualitative and quantitative aspects of strategic management. The study employs a mixed-methods approach, combining document analysis, surveys, and comparative performance analysis to provide a multi-dimensional perspective on strategic practices. Firstly, document analysis involves examining internal bank reports, strategic plans, annual financial statements, and policy documents to identify existing management strategies, operational frameworks, and organizational objectives. This allows for the assessment of alignment between strategic goals and actual performance outcomes. Secondly, a survey of bank employees and management staff is conducted to gather insights into the practical implementation of strategies, organizational challenges, and perceptions

regarding the effectiveness of competitive approaches. The survey utilizes a structured questionnaire with both closed-ended and open-ended questions, ensuring that both quantitative metrics and qualitative opinions are captured. Thirdly, comparative performance analysis is carried out using financial indicators, market share data, and customer satisfaction metrics to evaluate the impact of implemented strategies on the bank's competitiveness. The methodology also includes data triangulation, combining findings from documents, surveys, and performance metrics to validate results and reduce potential biases.

1-table. Key strategic directions and their impact on competitiveness in Asakabank JSC

Strategic direction	Implementation methods	Impact on competitiveness	Performance indicators
Customer-oriented services	Personalization, fast customer support, online banking	Customer loyalty, attraction of new clients	Customer satisfaction index, growth in client base
Internal process optimization	Standardization, automation of workflows	Reduced operational costs, increased efficiency	Operational costs, process efficiency
Innovation and digital transformation	Mobile applications, online services, data analytics	Quick adaptation to market trends, competitive advantage	Digital service usage rate
Employee development	Training, skill enhancement, motivation programs	Enhanced employee performance and innovation	Employee satisfaction index, number of trainings
Risk management	Risk monitoring, internal control systems, contingency planning	Financial stability, reduced unexpected losses	Number of risks, financial losses

The table above presents the key strategic directions implemented by "Asakabank" JSC and their impact on the bank's competitiveness. The first strategic direction, customer-oriented services, focuses on personalization, rapid customer support, and online banking solutions, which directly contribute to increased customer satisfaction and loyalty, as well as attracting new clients. The effectiveness of this strategy is measured using performance indicators such as the customer satisfaction index and the growth of the client base. The second direction, internal process optimization, involves standardization and automation of internal workflows

to enhance operational efficiency and reduce costs. Performance indicators such as operational cost reduction and improved process efficiency reflect the success of this strategy in strengthening the bank's operational foundation. Innovation and digital transformation is identified as the third strategic area, encompassing mobile applications, online services, and data analytics. This approach allows the bank to quickly adapt to market trends and maintain a competitive advantage, with digital service usage rate serving as a key performance metric. Employee development represents another critical strategy, emphasizing training programs, skill enhancement, and motivation systems. By investing in human capital, the bank increases employee performance and fosters innovation, with performance indicators including employee satisfaction levels and the number of trainings conducted. Risk management is crucial for ensuring financial stability and minimizing unexpected losses. Through risk monitoring, internal control systems, and contingency planning, the bank can safeguard its assets and maintain resilience in a volatile financial environment, with the number of risks and financial losses used to assess effectiveness.

Research discussion. The analysis of competitive management strategies at "Asakabank" JSC reveals several key insights into the mechanisms through which commercial banks can strengthen their market position and operational efficiency. The findings indicate that strategic planning in the bank is oriented towards both internal optimization and external market responsiveness. Internally, process standardization, risk management, and employee competency development emerge as critical components for achieving efficiency and reducing operational uncertainties. The survey results show that a significant proportion of employees recognize the importance of clearly defined roles, procedural consistency, and continuous professional development programs, which collectively enhance the bank's ability to respond to dynamic market conditions. Externally, customer-centric strategies, including personalized service offerings, digital banking solutions, and loyalty programs, have been identified as key drivers of competitive advantage. Comparative performance analysis demonstrates that initiatives such as mobile banking applications, online service platforms, and rapid complaint resolution mechanisms have not only increased customer satisfaction but also contributed to measurable growth in market share. Furthermore, the integration of digital tools and data-driven decision-making processes has enabled "Asakabank" JSC to anticipate market trends, adjust pricing policies, and implement proactive risk mitigation strategies. These results corroborate the theoretical perspectives outlined in the literature, particularly the emphasis on innovation, operational excellence, and customer orientation as pillars of competitive management. However, the study also identifies challenges, such as occasional gaps between strategic objectives and operational execution, limited adoption of advanced analytics by certain departments, and the need for more comprehensive staff training on emerging digital technologies. Addressing these gaps is crucial for maintaining long-term competitiveness, as continuous improvement, adaptability, and strategic alignment are fundamental to

sustaining organizational performance in the banking sector. Overall, the discussion underscores that competitive management strategies at "Asakabank" JSC are multifaceted, requiring a delicate balance between internal process optimization, risk management, customer-focused innovation, and technological integration. The insights gained from this study provide practical implications for commercial banks aiming to enhance strategic effectiveness, suggesting that a proactive, flexible, and innovation-driven approach is essential for thriving in an increasingly competitive financial environment.

Conclusion. The study of competitive management strategies in commercial banks, exemplified by "Asakabank" JSC, highlights the critical role of strategic planning, innovation, and customer-oriented approaches in achieving sustainable growth and market competitiveness. The research demonstrates that effective management strategies integrate internal process optimization, risk mitigation, employee development, and technological advancement, enabling banks to respond proactively to dynamic economic conditions and evolving customer demands. Findings indicate that while "Asakabank" JSC has successfully implemented several innovative and digital initiatives, there remain opportunities for improvement in aligning strategic objectives with operational execution, expanding the adoption of data-driven decision-making, and enhancing staff training programs. The evidence suggests that banks that continuously refine their strategies, embrace technological innovations, and maintain a strong customer focus are better positioned to achieve long-term competitive advantages. Ultimately, the study concludes that competitive management strategies are multidimensional, requiring a holistic approach that combines organizational efficiency, market responsiveness, and innovation. The practical implications of this research indicate that by fostering adaptability, strategic alignment, and continuous improvement, commercial banks can not only enhance performance and profitability but also ensure resilience and sustainability in an increasingly competitive and rapidly evolving financial environment. This underscores the importance of viewing strategic management as a dynamic and ongoing process, rather than a static plan, with continuous evaluation and adjustment being key to maintaining a lasting competitive edge.

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