

Improving the structure of branch management of a commercial bank

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Abstract

The successful development of any large commercial bank depends on the efficiency of its branches. This work is an attempt to find the clear and effective organizational structure of management of the bank branches, assessment and plans for its improvement.

Keywords: commercial bank, branch, management structure, value of the organizational structure, development and improvement of the management structure

1 Introduction

Currently commercial banks constitute the main component of the financial and credit system of almost any country in the world. In recent years, almost every commercial bank can offer its client about two hundred types of different banking products and services.

One of the determining roles in banking is the organizational structure of the level, which directly determines the financial success of the bank in the market. The selection and construction of the organizational structure, based on a combination of external and internal factors, is one of the main and important tasks of banking management.

2 Decision

The main tool for the territorial development of a commercial bank is the creation of branches. The structure of the organization represents the main ways of interconnection between departments of a bank or its branch. A rationally formed banking structure enables clear work for bank personnel, helps the successful implementation of bank management functions and also meets the needs of banking clients.

One of the main characteristics of the organizational structure possesses are:

- Dividing into divisions;
- Relations of accountability
- Subordination of the lower to the higher management.

It should be noted that the organizational banking structure should reflect the specific goals and objectives of its subject. It should express the functions of the division of labour and the amount of authority of bank personnel.

To improve the management structure of a branch of a commercial bank, it is necessary to make changes to this organizational structure. This process is rather complicated, responsible and often painful. Nevertheless, the choice of the optimal structure for a bank branch is an important condition for an effective labour organization, successful

commercial activity of a bank branch.

The main factors of change in the organizational structure can be considered:

- Changes in the economic content and volume of operations performed by the bank;
- Changing the requirements for the competence of specialists;
- The need for downsizing due to the crisis, a decrease in the volume of services;
- Reorganization of the bank.

Improving the organizational structure involves taking into account such criteria as the peculiarities of the internal culture of the bank, the obligations of top management, the needs of the bank to reduce costs, the requirement for replenishment and retraining of personnel, career growth of bank specialists.

One of the ongoing challenges is the further development and optimization of its organizational structure. A well-thought-out organizational structure ensures:

- An effective bank management system;
- Optimized workflow;
- Effective personnel management.

The bank should determine as well as establish the statutory status of the credit departments of the bank, client departments and deposit departments.

3 Conclusion

The need to improve the management system at the present stage is determined by many factors. This is the optimization of the number of the management apparatus, its functions, introduction of automated control systems and development of decision-making system.

The development and introduction of new management structures has become a feature of the work of organizations. In the course of such changes, various combinations of known types and types of structures are often used, which the bank adapts to the specific conditions of its operation.

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