

# Comprehensive Perspective on Recent Trends the Banking Sector

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**Abstract:** *The primary objective of this study is to build a comprehensive strategy for managing banking advancements. Extensive utilization, interpretation, and re-evaluation of auxiliary resources have been conducted to validate the discrepancies. The examination has exclusively focused on the financial domain. Regardless, the experiences of different locations have also been scrutinized to bolster the arguments. This article focuses on the theoretical foundations of social imagination and developmental executives in the banking industry. Its aim is to provide managers with a comprehensive framework for adapting to a highly competitive and dynamic corporate environment. According to the findings of this review, a crucial aspect of any organization is to foster and sustain creativity along with intelligent tactics to achieve long-term growth and development. Various approaches were analysed to provide a comprehensive and strategic management of social innovation and progress in the banking sector. This study demonstrated that the presence of a creative mind and inventive systems is crucial for the successful development and advancement of the banking industry. Moreover, it demonstrates that the bank's innovative and creative processes enhanced performance. The survey suggests that for a bank to ensure both short-term and long-term growth and development, it is essential to prioritize social creativity, embrace innovative procedures, ensure the development of more inventive products, reposition existing products, and introduce user-friendly IT-based solutions.*

**Keywords:** banking, cultural creativity, innovation management, a comprehensive approach, and strategic innovation

## I. INTRODUCTION

The banking sector is beset by a multitude of challenges. The challenging problems are gradually rendering this industry ineffectual in terms of its products and services (Hamdaoui and Maktouf, 2020). In the highly competitive business environment, the sustainability of its support is uncertain for the long term (Sarker, 2016b). The quality of service and product innovation is substandard. Most of the products and services fall within the category of low portfolio container (Jayakumar, Pradhan, Run, Maradana, and Gaurav, 2018).

Rahman, Saha, Sarker, Sultana, & Prodhan (2017) argue that technical progress is essential for staying competitive in the market, especially while client tastes change rapidly. The financial industry is facing risks from innovation, client behavior, and overall country reliability, as highlighted by Lin (2011). The system producers of the organizations are uncertain about the stage they should be at. To maintain market presence, the lifespan of products is diminishing. Some businesses may impose specific guidelines on the process of designing work, as stated by Sarker, Sultana, and Prodhan (2017a).

The regulations have a detrimental impact on the performance of the banking sector. Sarker (2016) argues that the products and services in this industry lack innovative viewpoints on a daily basis. As to the findings of Sarker, Bingxin, Sultana, & Prodhan (2017), it is imperative for this industry to actively embrace novel ideas and technology breakthroughs in order to ensure long-term viability. The formidable challenge that this business will confront in the upcoming century is imminent. The innovative ideas and solutions of the new products and services should enhance and align with the features and capabilities of the existing items. To achieve a strong market position, management needs to

collaborate with the progressive enhancement of service delivery (Sarker & Jie, 2017). Undoubtedly, there exist several innovative techniques and instruments for product development (Ye, Zhang, & Dong, 2019). These hypotheses and advancements are temporally oriented. We need the organization's capacity for innovation. Progress should be deliberate and driven by the needs of the clients (Islam, Sarker, Rahman, Sultana, and Prodhana, 2017). This composition aims to provide theoretical guidance for the continuous improvement and social innovation in the field of economics (Chava, Oettl, Subramanian, and Subramanian, 2013). By implementing continuous and creative initiatives, a profitable avenue for the future can be established.

Sarker, Sultana, and Prodhana (2017) argue that implementing effective innovation across all aspects of a bank is crucial for ensuring the absolute stability of its goods in the market. Globalization is rapidly altering the commercial landscape on a daily basis (Chai, Tan, and Goh, 2016). Emerging trends are rapidly influencing consumer buying behavior. Technologically-driven products are displacing conventional ones (Prodhana, Sarker, Sultana, & Islam, 2017). The value of current unique items has diminished due to substantial advancements in the sector. Another concern is the ability to promptly address the innovative concept. Sarker, Wu, & Hossain (2018) argue that in order to ensure future performance, it is essential for the bank to foster a creative culture that promotes innovation.

Sarker, Khatun, & Alam (2019) argue that an innovative and creative culture can offer banking solutions with daily relevance. Hence, it is imperative for the researcher to make an effort to rectify this deficiency and provide a lucid depiction of how to tackle the problem considering cutting-edge management techniques and a culture that fosters creativity (Fontin & Lin, 2019). The banking business regularly faces several issues as a result of adopting traditional methods of innovation management.

Traditional approaches are currently not feasible for the banking sector. Banks have many obstacles in terms of performance monitoring and management when launching new products. Previous studies by Ratten (2008), Lin (2011), and Chava et al. (2011a) have identified a lack of study on the management of cultural creativity and innovation specifically within the banking industry. (Jayakumar et al., 2013; Mao, Huang, & Chang, 2018; Hamdaoui & Maktouf, 2019) Therefore, it is crucial to conduct a study on social imagination and development management in the banking industry to promote sustainable growth in the financial sector. The primary goal was to create a comprehensive plan to address the increasing need for banking services to effectively manage cultural creativity and innovation.

To accomplish the objectives of this study, a qualitative methodology was employed. Optional materials have been extensively employed, interpreted, and reassessed to substantiate the arguments. The analysis has exclusively focused on the banking industry. The analysis encompassed several sources, including reports from the government and central bank, magazine articles, newspaper articles, book chapters, and several other public materials. Furthermore, to strengthen the arguments, the experiences of different sectors have also been scrutinized.

## **II. ANALYSIS AND DISCUSSION**

Innovation in banking is creating both opportunities and risks for financial institutions. These goodies are quite expensive. The embezzlement of funds from the central bank of the Bangladeshi government is the subject of the most extensive discourse. This is also connecting the commercial banks. The imposition of rules and standards by the administrative authorities is a problem for the business bank. Administrative entities are typically owned by the government and their regulations are often traditional (Sarker, Hossain, Min, and Aktaruzzaman, 2018). Implementing these traditional norms is a challenge for the technology-driven bank. Technological improvements can lead to technophobia among users (Huang, Hu, & Chang, 2018). Clients typically avoid or shy away from creative skills. Presently, there is a need for a well-structured training procedure to assist clients in acclimating to the bank's advanced and intricate offering. The bank's cost factor is a matter of worry because it is closely related to innovation and technology. The banks' management refrains from pursuing specialized products through technological innovation, cultural originality, or continual research and development due to the owner's consistent establishment of ambitious performance objectives.

### **Banking Innovation**

Arena Banks are providing their consumers with novel services and products utilizing cutting-edge tools. In order to accomplish this, banks must fight significant competitive pressure within their industry. Innovation is a strategic

instrument employed by banks to acquire a competitive advantage in the financial market. Banks employ innovation to surpass their competitors. It possesses the capacity to optimize organizational efficiency, exerting an impact on the nation's economy (Sarker, Hossin, Wu, et al., 2018).

Innovation has a profound influence on all branches of banking organizations, encompassing the development of opportunities, reduction of expenses, enhancement of operational efficiency, and ultimately, fostering good cultural transformations inside the firm. In accordance with the findings of Sultana, Sarker, & Prodhan (2017), innovation plays a crucial role in introducing novel elements across several aspects of banking operations, such as expanding product offerings, developing new service tools, enhancing employee engagement, and improving customer happiness. Development can occur either in a specific area of banking or across the entire banking industry (Mahmoudabadi and Emrouznejad, 2019).

The focus could be on products, technology, operations, or functional management. This invention can be progressively applied across the entire organization. The organization should prioritize its focus on the specific area that requires innovation. When banks decide to provide loans, they can determine product-based growth and value based on customers' needs. Tabacco (2015) suggests that innovation may be limited by shifts in customers' tastes over time. The bank should respond to alterations. Banks derive advantages from the implementation of sustainable innovation to ensure their enduring market position. Innovation may focus on the functional aspects of decision-making, personnel satisfaction, cultural creativity, and service distribution channels. Stakeholders also support innovation. The bank is unable to utilize an innovation process. The management plan should prioritize the areas where innovation is expected to occur. It can be accomplished through several methods throughout the entire bank or at each individual functional level.

Xin, Zhang, & Zheng (2017) argue that a comprehensive examination of bank innovation is necessary to ensure that no potential issues are overlooked and that all the advantages of innovation are realized. In order to achieve equilibrium and establish a robust and seamless innovative culture, it is necessary to cultivate this through a systematic approach that enhances the capacity for creation. A sustainable environment inside a business can stimulate a continuous innovation process that enhances performance and competitiveness (Sarker, Islam, et al., 2019).

Revolutionary trends in the banking industry

Culture: Numerous business professionals firmly assert that fostering an innovative work environment is important for a company's triumphant performance. It modifies the sequence of events in the cycle. The company gains advantages from a progressive and forward-thinking environment. Shafi, Sarker, & Junrong (2019) argue that in order for businesses to be successful, they must have strategic managerial support in order to promote a creative culture among all individuals involved in the company processes. The decision-makers set a goal for the organization to ensure that everyone is aligned with the vision, purpose, and objectives. Once this social innovation is completed, the bank's performance will yield logical outcomes. Employees are consistently encouraged to embrace an innovative culture through a prominent directive. This culture may lack adaptability. Banking activities inherently involve regulation and risk control. Hence, to foster a creative culture, it is imperative for those in positions of greater authority to have a positive perspective (Nwagwu, 2020).

The bank's culture of innovation and creativity is impeded by autocratic management of revenue cases, which lacks participation. Most banks hold the belief that traditional values and cultures are prevalent inside their business. The realm of creative culture continues to encounter substantial impediments. This obstacle could impede the performance of the bank. Consequently, the bank may encounter difficulties in altering the lifestyle. Due to the emergence of advanced technologies, certain banks are becoming more interested in fostering innovative cultures. In order to prepare for the upcoming exam, banks need the opportunity to cultivate a culture of growth and innovation. Embracing an imaginative and innovative culture may incur costs for the bank, but it will ultimately lead to long-term profitability and sustainability. Well-trained employees can make valuable contributions to a culture that fosters creativity (Sarker, Islam, et al., 2019). In the long run, it will also facilitate risk management. Mao et al. argue that an innovation culture should permeate the entire functional cycle of strategic planners, from the highest level to the lowest level. 2019. All administrative functions, such as organizing, coordinating, staffing, leading, and controlling. The extension of creative cultures to all functional levels may lead to significant gains for banking performance. There is a possibility that the cultural innovation will not be embraced by any functional areas, regardless of their level of operation. In this scenario,

the process of introducing cultural innovation can be gradually and consistently carried out through case management. The level of innovation might differ among organizations. Under these circumstances, it is imperative for the staff to proceed with caution.

The influence and consequences of technology

The twenty-first century is characterized by significant advancements in technology. Technology should be utilized in a manner that encourages and facilitates innovation. Technology enables banks to enhance and improve their current products and services through innovation. The producers of the association should undertake a significant task in cultivating an innovative culture through the utilization of emerging technology. Most banks nowadays prioritize technology investments, leading to the development of advanced and cutting-edge services for consumers.

Centekara & Etinkaya (2021) argue that the process of leading one's life is becoming progressively easier for individuals. Contemporary and pioneering services have replaced conventional banking services. M-Banking, I-Banking, E-Banking, and E-commerce based banking are some of the more recent terms used to refer to banking. The bank, nevertheless, is obligated to enhance performance and increase profit margin through this progress or expansion. Management should prioritize customer relationship management as banking directly caters to clients. Clients that utilize technological advancements and social creativity have the ability to significantly influence key areas of performance in a competitive market (Sarker, Wu, Cao, Alam, and Li, 2019). Banking is a service provider that relies on channels, and it is essential to have technological expertise in all areas. Furthermore, it is exceedingly intricate and costly. In order to introduce new products or services to consumers, the bank must carefully consider the amount of capital it will allocate and the potential long-term profitability. Banking is universally acknowledged as a conglomeration of diverse systems with interconnected purposes. The entire unit has made progress in improving their presentation skills. At the administrative core of a bank, a multitude of activities are diligently working to achieve a harmonious level of performance. Indeed, each stage of the process elicits a predetermined set of pleasant emotions that buyers already possess. Banks are currently considering a true and well-defined mechanism to implement growth (Ratten, 2008). To cultivate a creative culture, management must exhibit flexibility.

There are certain circumstances where it is advantageous for a business to have a flexible structure. The culture of innovation may tend to prioritize customers and staff. The success of modernism can be largely attributable to these two components. (Sarker, Wu, Liu, & Ma, 2019) When developing a strategy for technology-based innovation, it is important to consider several key factors. These include understanding customers' demands, assessing the perceived value of the innovation, evaluating the technological feasibility of the business, and planning for the implementation of the innovation and the necessary organizational changes to foster a culture of innovation. Addressing all of these difficulties can enhance the relationships between customers and management. Banking services rely on technology-driven infrastructure. Every customer-facing job area should be connected to innovative transformation. The banking culture described by Hou, Li, Guo, and Wang (2018) are characterized by a focus on environmental sustainability and the adoption of new and creative approaches. Currently, ICT arrangements are highly popular. Advancement is currently associated with specific external environmental forces. These concerns require careful consideration. Today, wealthy business organizations are aware of environmentally sustainable viewpoints for their long-term viability. The company's ability to effectively handle crises is enhanced by its environmentally friendly and sustainable innovation.

Development and management in the banking industry

The role of the board in the development of banking is crucial. Bank management faces challenges in devising an innovative approach to enhance performance. The question prompts management to evaluate performance by examining the novel service offered by employees. When considering outsourcing new processes or any other means of innovation, management must take into account the bank's vulnerabilities and drawbacks (Bankole & Bankole, 2017). The deployment of cultural innovation may result in increased expenditures due to these issues. The competent management is skilled at guiding targeted innovation. If the management lacks precise knowledge regarding the innovative capabilities of their competitors and has not assessed their internal operations to address new innovations, the senior management should collect exploratory data from all functional levels. According to Akhisar, Tunay, & Tunay (2015), management examines the reasons that lead to the inability to attain a desired level of performance in implementing a strategy. How effectively are the executives managing the operations and activities of the company compared to their business competitors?

The moment at which the activity of development exhibits a moderate tendency. The study conducted by Shuying, Shuijuan, and Bobo in 2017 found that consumption had a significant impact on the contenders. The board might strategize alternative methods to increase the number of queries that may elicit a more assertive response from the administration: what do clients truly value in the service and what are their specific needs? How quickly can creative innovation adapt? What are the potential applications of this innovative technology? Are there any contenders who possess it? Which candidates may strive to acquire it? What is the price? What will be the ultimate outcome of this innovation? Ho, Huang, Shi, & Wu (2018) argue that management would only be concerned with specific validated data regarding the influence of innovative technology on banking performance, as discussed earlier. Proficient management, on the other hand, can identify a plethora of valuable resources for state-of-the-art banking technology.

### III. CONCLUSION

One essential factor for any organization is to foster and promote creativity and innovative methods for sustainable growth and advancement. To determine the value innovation, competitive advantage, and knowledge needed for a sustainable banking business, we examined the blue ocean theory, resource-based theory, and knowledge-based theory. An organization's innovation strategy centers around a shared cultural approach to managing creativity and innovation. An imperative exists for the development of a comprehensive approach to effectively manage cultural creativity and innovation within the banking industry, given its constant operation within an environment characterized by uncertainty and competition. This article identified key strengths in the field of social imagination and development in banking, aiming to enhance understanding of the banking industry and explore potential opportunities for sustainable growth and improvement from a comprehensive perspective.

An in-depth analysis was conducted to explore the holistic management of cultural creativity and innovation in the banking sector, employing several methodologies. This study revealed that imagination and creative systems are essential components for sustainable growth and enhancement in the banking sector. Furthermore, it shown that the bank excelled by adopting innovative and creative strategies. The findings suggest that in order for a bank to accomplish both short-term and long-term growth and development, it is crucial to prioritize cultural creativity, implement new methods, offer a wider range of novel products, enhance existing products, reposition products, and bring user-friendly IT-based products.

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