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INFLUENCE OF DEVELOPMENT OF SALES NETWORKS ON SUSTAINABILITY OF THE BANKING INSTITUTION

Introduction. The article presents data on the situation in the banking market of Ukraine (by the results of the 1st quarter of 2018). It has been determined that the stability of Ukrainian banking institutions was immediately affected by several factors, such as: the global financial crisis, the unstable political situation in the country, sharp depreciation of the domestic currency (hryvna), the decline of production, loss of controllability of a number of territories, etc. All this has led to the fact that the number and quality of banking institutions in the state have changed.

Purpose. The purpose of the study is to determine the current situation on the Ukrainian banking market and to analyze the stability of banking institutions through alternative instruments.

Results. It is established that the National Bank of Ukraine has optimistic forecasts of the development of the banking system in Ukraine. However, author is noted that the trends of alternative indicators of business activity do not confirm the validity of optimistic expectations. The study describes the existing standard approaches to determining the resilience of banking institutions (calculation of indicators of financial stability of banking institutions) and proposed alternative tools for determining the stability of banking institutions, which involves the analysis of the development of sales networks. The article contains a thorough analysis of existing sales networks of Ukrainian banks. Information is provided on the number of Ukrainian banks at the peak of the Ukrainian

banking system and at the time of the survey. Also in article provided information in the dynamics of development of sales networks of Ukrainian banks. It was established that sales networks, as well as the number of banking institutions, decreased by 2.3-2.4 times. The qualitative composition of Ukrainian banks with the grouping according to the ownership form of banks is analyzed. It is established that a small number of state-owned banks (5 institutions) control about 60% of points of sales across the country. In the course of the study, it was found that banking institutions operating today (successfully overcome the negative factors mentioned above) had more than three times developed sales networks, which allows reasonable assumption of the positive impact of the development of sales networks on the sustainability (viability) of banking institutions. As a result of the study, the analysis of operating banks and the establishment of a group of banks that have recently suffered the largest loss of sales networks and accordingly (probably) lost their resilience. In the future, the further fate of the established banking institutions will be analyzed in order to determine the effectiveness of the proposed method of analysis.

Conclusions. The result obtained by the author during the study in the form of a group of banks that require careful monitoring of their activities, will provide an opportunity to verify the validity of the assumption that the banking institution's sustainability indicators are linked with the indicators of the development of the sales network of the banking institution.

Keywords: *bank, management methods, stability of the banking institution, financial market, sales network, sales points, development, viability.*

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