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METHODS TO INCREASE THE EFFICIENCY OF THE BANKING SYSTEM FUNCTIONING IN UKRAINE UNDER THE CONDITIONS OF GLOBALIZATION

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Summary. The paper highlights the problems and prospects of the effective functioning of the banking system in Ukraine under the condition of financial globalization. The impact of the crisis on the efficiency of the banking system is observed. The main

factors affecting the efficiency of banking are defined. The key factors to ensure the efficiency of banking in terms of the growing processes of integration, internationalization, and globalization of economic life are characterized.

Key words: *financial globalization, banking system, international capital market, financial market, level of capitalization.*

A stable banking system is a necessary condition for a sustainable economic growth in Ukraine. Domestic banks are tested in terms of the constant economic transformations. The state strategy of the banking system is based on the principle of rule of law and the maintenance and strengthening of market principles of banks operations and usage of mainly indirect methods to influence on the processes taking place in the banking sector through the formation of an appropriate legislative and regulatory basis of the functioning of banks and financial services market, and the implementation of control over the accomplishment of the established requirements. The share of state is also in the capital of some banks and it is directly involved in their management.

Globalization processes in any and all areas of public life gradually cover all regions of the world. The economic globalization becomes a major factor in the global economy development. However, the economic globalization is not an entirely new phenomenon for humanity and modern globalization processes largely lead to the return of the liberal regime of foreign economic activity, based on the analysis of statistical indices of international economic relations development during the XX and early XXI.

The main goal of the investigation is to determine the impact of financial globalization on the effective functioning of the banking system of Ukraine. It actualizes the research and questions the necessity to form the active financial strategy of transactions held by commercial banks in Ukraine in terms of financial globalization.

The application of the organizational and economic security in the process of banks' entering global financial market has two clearly defined levels: macro level of government regulation and micro level of banks, participating in this activity. This model of the banking development structure needs to develop the organizational and economic instruments of foreign economic activity, which can combine two areas – traditional and strategic – functionally linked, that will enable the efficient use of the resource potential for overcoming structural imperfection of the financial sector and the development of new forms of cooperation for mutual benefit.

Organizational and economic instruments allowing banks to enter the global financial market include the usage of advanced forms and methods of international cooperation with foreign countries, banks, corporations and individuals. In economic and organizational terms, it may contribute to the opening of subsidiaries, branches, affiliate banks, strategic alliances and bank holding companies.

State policy towards banks' entering the global financial market, which is directed at formation of informational securing of this process, requires: implementation of measures aimed at detecting the unfair competition in the domestic market; analysis of Ukrainian banks abroad at foreign markets for identifying opportunities to increase their activity abroad and to prevent the restrictive measures of other countries; formation of information provision infrastructure by founding a network of information and consulting services to provide services to business entities.

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