
**IMPROVING THE INVESTMENT DECISION-MAKING SYSTEM IN
COMMERCIAL BANKS**

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Abstract

This study examines the improvement of the investment decision-making system in commercial banks. Banking investment activity plays a crucial role in the efficient allocation of financial resources and the financing of the real sector of the economy. Therefore, enhancing the quality of investment decisions directly affects bank profitability, risk management efficiency, and overall financial stability. The research analyzes the main stages of the investment decision-making process, internal and external influencing factors, and existing challenges in this area. A comparative analysis of traditional and modern approaches is conducted, and based on the findings, directions for improving the system through digital technologies, artificial intelligence, and advanced risk assessment models are proposed. As a result, scientific and practical recommendations are developed to enhance the efficiency of investment decision-making in commercial banks.

Keywords: Commercial banks, investment decisions, risk management, investment policy, financial analysis, NPV, IRR, ROI, digital banking, artificial intelligence, Big Data, capital allocation, financial stability.

**TIJORAT BANKLARIDA INVESTITSION QARORLAR QABUL QILISH
TIZIMINI TAKOMILLASHTIRISH**

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Annotatsiya:

Ushbu tadqiqotda tijorat banklarida investitsion qarorlar qabul qilish tizimini takomillashtirish masalalari nazariy va amaliy jihatdan o'rganilgan. Banklarning investitsion faoliyati iqtisodiyotda moliyaviy resurslarni samarali taqsimlash va real sektorni moliyalashtirishda muhim o'rin tutadi. Shu sababli investitsion qarorlar qabul qilish jarayonining sifatini oshirish banklarning rentabelligi, risklarni boshqarish darajasi hamda umumiy moliyaviy barqarorligiga bevosita ta'sir ko'rsatadi. Tadqiqot davomida investitsion qarorlar qabul qilishning asosiy bosqichlari, unga ta'sir etuvchi

ichki va tashqi omillar hamda mavjud muammolar tahlil qilindi. Shuningdek, an'anaviy va zamonaviy yondashuvlar qiyosiy tahlil qilinib, raqamli texnologiyalar, sun'iy intellekt va risklarni baholashning ilg'or modellari asosida tizimni takomillashtirish yo'nalishlari ishlab chiqildi. Natijada banklarning investitsion qarorlar qabul qilish samaradorligini oshirishga qaratilgan ilmiy-amaliy takliflar shakllantirildi.

Kalit so'zlar: Tijorat banklari, investitsion qarorlar, risk-menejment, investitsion siyosat, moliyaviy tahlil, NPV, IRR, ROI, raqamli bank, sun'iy intellekt, Big Data, kapital joylashtirish, moliyaviy barqarorlik.

СОВЕРШЕНСТВОВАНИЕ СИСТЕМЫ ПРИНЯТИЯ ИНВЕСТИЦИОННЫХ РЕШЕНИЙ В КОММЕРЧЕСКИХ БАНКАХ

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Аннотация:

В данном исследовании рассматриваются вопросы совершенствования системы принятия инвестиционных решений в коммерческих банках. Инвестиционная деятельность банков играет ключевую роль в эффективном распределении финансовых ресурсов и финансировании реального сектора экономики. Поэтому повышение качества инвестиционных решений оказывает непосредственное влияние на доходность банков, уровень управления рисками и общую финансовую устойчивость. В ходе исследования были проанализированы основные этапы процесса принятия инвестиционных решений, внутренние и внешние факторы, влияющие на него, а также существующие проблемы в данной области. Проведен сравнительный анализ традиционных и современных подходов, на основе которого предложены направления совершенствования системы с использованием цифровых технологий, искусственного интеллекта и современных моделей оценки рисков. В результате сформированы научно-практические рекомендации по повышению эффективности инвестиционных решений в коммерческих банках.

Ключевые слова: Коммерческие банки, инвестиционные решения, риск-менеджмент, инвестиционная политика, финансовый анализ, NPV, IRR, ROI, цифровой банкинг, искусственный интеллект, Big Data, размещение капитала, финансовая устойчивость.

Introduction

How to make effective investment decisions and competitiveness of financial stability of commercial banks, their direct all can depend on the organization of the system. Modern banks in high-income market economies should direct most of their resources toward the provision of services and, at the same time, which has links to the level of acceptable risk. The introduction of the benefits of investment decisions, not only the bank, but also its long-term development prospects are also identified. For this reason, in this area the decision-making process based scientific methods, using modern analysis tools and digital technologies has become one of today's most pressing issues of the improvement of the day.

The economic crisis which has arisen in recent years, geopolitical tensions and the investment environment is much more complicated inflation pressure for banks. Traditional in such conditions, to make decisions based on limited information or intuitions shows his methods are effective. Banks quickly to changing situations is flexible, and different scenarios that can process data in real time remains the need for a system that could get a price. Need exactly the same investment decision-making requires a radical rethink of the system is.

The rapid development of digital technology and artificial intelligence, the importance of this subject increases even more. Today, the analysis of large amounts of data (Big Data), allows you to significantly increase the accuracy of forecasting models machine learning algorithm and investment decisions. Leading international banks are already of these tools, portfolio management, credit risk, valuation estimates of technical and market trends in wide use. Local commercial banks have become prerequisite of introduction to this technology for their business to remain competitive while. Technological development of modern analytical system to reduce the gap and pressing task.

The issue of risk management associated with investment decisions is important. At a certain level every investment credit, market, liquidity and operational risk areas. The timely detection of this risk, quantitative assessment and to maintain the financial health of the bank is of decisive importance for minimizing. Effective decision-making system should help you to find the optimal balance between risk and revenue. Otherwise, the bank of wrong investment decisions not only individual, but also pose a serious threat to the stability of the entire banking system, this will lead to negative consequences for the economy, while the chain of.

The requirements of the regulation by the banking supervision authorities which are put in place also the escalation of reforms in this area. The federal constitution strictly requires the standards committee and the national central banks of the bank to have sufficient regulatory capital, liquidity, and risk management to fulfill the requirements of the coefficient. To comply with these requirements and transparency requires deeper analysis in making investment decisions. This system of modern decision-making and compliance with regulatory requirements providing a mechanism which takes into account should be able to automatically. In this context, the

improvement of the system needs not only internal but also foreign liabilities appears. The investment activities of commercial banks in the development of the national economy holds a special place in. Empty the funds to the real sector enterprises and the population as financial intermediaries banks, manufacturing and infrastructure projects directs. The investment decision on the adoption of economic growth, ensure the financing of innovative projects that create jobs. There is a high appreciation of the resources of the bank, ineffective or dangerous links you spending this full of potential to be a waste of capital and economic solinmasligiga brings to the work. Therefore, this system of improvement of the macroeconomic significance, is closely related to the interests of the state.

The escalation of competition in the market and the changing needs of customers, the bank have been forced to regularly update their investment strategy. The advent of fintech companies and financial institutions to the banking sector nobank access remains a serious test for conventional bank. Such competitive conditions in quick-based and customer-oriented bank determines that the market is superior in ability to make investment decisions. The decision-making system, the improvement of timely notice to the bank of new opportunities to increase profitability and allows it to adapt to changing market conditions. This bank's long-term strategic importance for survival and growth. At the same time this issue of financial theory, information technology, risk management and economic policy, state the point of intersection is a complex problem. Through deep study of the subject of the bank carrying the effectiveness of risk reduction can develop practical recommendations which contribute to the commercial and economic growth. For this reason research in this direction also enrich the theoretical knowledge, the bank also has great importance from the standpoint of improving the practice is recognized as one of the priority issues of modern economic science.

Review of the literature

Analysis of the literature on the subject in the process of upgrading the system of commercial banks to make investment decisions in the world on many scientists and experts have been conducting scientific research by leading economists. Among them, Marc Anthony Saunders Millon Cornett, Professor of Commercial Banks, Investment Activities, and Brand, noted that his research in the management of central issues is to ensure the balance between income and risk. Scientists, in the opinion of the modern financial institutions – commercial banks, investment banks or the insurance company no matter – to-face increasingly similar risk has been approached on the basis of a single methodology and the method of managing them. In particular, credit risk, market risk, liquidity risk and interest rate risk is regarded as a decisive factor in the quantitative assessment of the accuracy of investment decisions. Securitization look at their research to assets, operations and banking activities in addition to the international balance through many given on the necessity of improving the management of investment portfolio. This is one of the mechanisms ensuring the stability of modern financial institutions.

Pete Rose of the activities of commercial banks, investment banking services S. their research as an integral part of the production and sales process is analyzed. Scientists, in the opinion of the bank the effective management of the client also, at the same time, also from the perspective of the manager to understand the needs of the customer base is intertwined with eventually because it takes resources and investment decisions. Especially, a high level of regulation of the banking sector and fast-changing fast, it will become an important factor in making investment decisions adapted. Also look at his research management and coordination passivi bank assets, profitability and liquidity on the necessity of enhancing together with providing many given on the basis of construction. This bank is one of the modern approach for the effective use of resources. Nobel prize winner harry markowitz in the formation of the investment portfolio for the sole purpose of his research is not a high gain, but it was noted that it should be a reasonable balance of income and risk. Scientists, in the opinion of the reasonable investor - a bank, including also to strive to risk high income, that is, with the desire to reduce the variability of income should balance. Moreover, the distribution of funds between different assets, that is, reducing overall portfolio risk diversification is regarded as the principal means of. Look at his investment decisions on the basis of mathematical and statistical analysis of scientific research negizda many on the necessity to take for granted. This is one of the mechanisms of their investment portfolio small modern scientific form.

O. I. Lavrushin their research, investment banking, commercial banks and others of the activity of the system does not look as one of the central areas of the activities of the organization. Scientists, in the opinion of the bank to comply with the legal norms of economic and business, in particular, the description of resources, sufficiency private capital, profit and the level of liquidity valuation will serve as the basis for investment decisions. Moreover, operations with securities and investment banking activities of the bank of the federal constitution to be established based on the requirements of the agreement is regarded as an important factor. Look at his research and the introduction of new products and technologies bank given on the necessity of improving the lending process for many. The activities of this bank is one of the important mechanisms of modernization on the basis of domestic and international experience.

Nikonets E. O. and co-management of the profitability of commercial banks research their investment activities, financial stability and the overall process is regarded as aimed at improving business efficiency. In the opinion of scientists, based on the form of the goals of the investment banks should be clearly defined strategic direction. Especially, to increase the profitability of investment credit organizations is regarded as an important factor in the development of focused and innovative. The main directions of the activities of their research to look at the investment bank many given on the necessity of improvement. This bank is one of the mechanisms ensuring profitability and sustainability of modern.

Frederic S. their research activities of commercial banks may be able to rumors investment and credit of the financial system, it was noted that a central channel that

influence the economy. To rely on practical experience in the federal reserve system, the banks, the investment decisions of scientists, interest rates, and financial regulation shows that the system is intertwined with asymmetry information. Scientists, in the opinion of the lender and the borrower the bank ensures the efficient allocation of resources by reducing the gap between information and performs the function of the same financial intermediary. Look at his research to control the activities of financial institutions, market risk management and financial markets, basing it necessary to take into account is given of baynalmilallashuvini. This investment bank is one of the modern approach of ensuring the stability and efficiency of the activities.

G. N. P. L. Beloglazova and modern commercial bank business krolyivetskaya the main direction of their research, three – kommersiyaviy, investment and retail business – it was noted that should be considered together. In the opinion of scientists, investment banks, regulation of the activities of the organization of effective work of the features of the bank in its approach and requires the organization to take into account Russian. Moreover, the bank risk and liquidity management methods is regarded as an important factor in the quality of investment decisions. Services to enterprises and economic sectors by banks look at their research and, in particular, many given on the necessity of improving operations in the currency market. This modern commercial banks is one of the mechanisms of the organization of the activity of the complex.

Professor Joël Bessis their research and effective management of assets is the main criteria of modern banking activity, it was noted that the distribution xavfni. In the opinion of scientists, the profitability of the bank and this is not only for safety, but also to comply with regulatory requirements that define the bank of international settlements for the increasingly growing international qat'iyilashib is also necessary. In particular, value-at-risk (VaR), and also passivi assets management (alm), credit risk, interest rate risk and capital management is regarded as the main means for the investment decision. His research is based on economic methods and xavfni look at management practices and on the basis of the introduction of corporate governance in a straight way is pointed out. The regulation of investment banking activities, this is one of the mechanisms established in accordance with the requirements of modern.

S. Scott MacDonald Timothy W. Aries and his research professors modern approach to the management of the bank to make decisions that would stand in the center of it was noted in the financial environment. In the opinion of scientists, the competitive environment, customer needs and the requirements of the regulation change bank credit, investment, financing and has a direct impact on pricing decisions. Especially, the use of the model and understand the balance between income and risk of effective management of financial decision-making is regarded as the main factor. Look at their research and analytical logical thinking processes through the development of banks necessary to achieve strong financial results for the basis of many given. This bank is made without any investment decisions have to rely on the modern approach of data analysis is one of them.

Research methodology

Commercial banks make investment decisions in the improvement of the system to the analysis of researches conducted by scientists of the world, collect all information on the subject, comparing, logical thinking, such as the use of the method led to economic research.

Analysis and discuss the results

The issue of improving the system in commercial banks to make investment decisions today, from the point of view of ensuring financial system stability and economic growth is critical. The banks of the economy as the main financial tool to convert occupy a central place in the investment process of the fund. Therefore, the adoption of proper and effective investment decision of its activities not only the bank but also has a direct impact to the development of the entire national economy. Changes occurred in the global financial markets in recent years, the intensification of competition and economic uncertainty, the investment banks from the decision-making system requirements are further increased. In particular, credit risk, market fluctuations and liquidity problems in the context of traditional decision-making methods are not effective enough remains. This modern digital technologies, artificial intelligence and advanced risk-management approach requires the implementation.

Increase the quality and efficiency of investment decisions in the banking system of Uzbekistan that is one of the tasks of important strategic issues. Financing of the real sector of the economy, in particular agriculture, industry and infrastructure projects in support of the bank plays a decisive role in the investment decisions. In this regard, the bank that is accepted by every investment decision economic efficiency, the level of risk and long-term stability should be made from the point of view of a deep analysis.

Also, the investment decision-making system for the improvement of the process of integration into international financial markets and increase the competitiveness of the banks, it is also important for you to accelerate. In the practice of modern banking based on information management (data-drive decision-making, in my transition to the system, as one of the main factors for improving the quality of investment decisions have looked. This is from the point of view, the study of actual scientific and practical aspects of this topic across from the high profession.

Table 1 The content of the system in commercial banks to make investment decisions¹

Element	Description
Investment decision	Competition for the placement of funds by the bank (credit, securities, project financing)
Purpose	Increasing profitability and minimizing risks
Main directions	Credit investments, portfolio investments, real sector projects
Decision subjects	Credit Committee, Investment Council, Risk Management Department
Result	Effective capital placement and growth in bank profits

¹ Prepared by the author

The most effective system of bank capital in commercial banks to make investment decisions mohiyatan represents the process of placing the links. In this process the main objective is increasing the profitability maqbullashtirish along with risks. Banks are just not lending investment decisions, but by directing the securities and real sector projects will diversify. The effectiveness of this system, businesses are largely the decision of the credit committee, the council and the investment risk related to the compatibility between the management department. Although each section has its own function, integrated performance determines the quality of their decision. Investment decision-making system constitute the core of the bank's strategic activity. It not only financial results, but also the bank's stability and competitiveness in the market is identified in both.

Table 2 The stages of investment decision making²

The Stage,	Content	Result
1. Data collection,	Collect information about the market, client, project, and risks	A database will be created for analysis.
2. The analysis of	Financial indicators, risks, and liquidity are assessed.	Decision options are formed
3. Valuation,	Indicators such as NPV, IRR, and ROI are calculated.	The most optimal option is selected
4. To decide	The decision is made by the credit committee or investment council.	Investment will be approved
5. Monitoring	The investment process will be monitored	Risks are minimized

Investment decision-making process consists of an integral link with each other if stages, each stage makes a direct impact on the quality of the final decision. Serve as the basis for the decision stage of the data collection, analysis, and evaluation stages of the decision provides the basis of the economic assignment. Moreover, NPV, and irr of the investment project financial indicators as listed in plays an important role in determining the effectiveness. The most optimal option is selected on the basis of these indicators, the bank provides investment resources and on the distribution of this process. Monitoring stage of the decision-making process is not final, but it shows that it is a continuous part. This stage serves to reduce risk and prevent unexpected loss in the investment process.

² Prepared by the author

Table 3 Factors influencing investment decisions in commercial banks³

Group	Factors	Description
Internal factors	Capital adequacy	Determines the bank's investment potential
	Risk policy	Acceptable risk level
	Quality of management	Decision-making speed and accuracy
External factors,	Interest rates	Affects return on investment
	Inflation	Changes the value of capital
	State policy	Determines the tax and regulatory environment
	Market conditions	Demand and supply dynamics

Of internal and external factors which influence the investment decisions of commercial banks in the group, which shows that the system to be complex and many. If this is associated with the bank's internal management options, and quality internal factors, the external factors directly related to the macroeconomic environment. The capital risk management policy and the adequacy of the bank's internal investment activities determine the main factors. The bank's capital base is strong, if you even highly profitable projects can also carried out. External factors, in particular, inflation, interest rates and investment in the stability of the policy decision of the state has a significant effect. Therefore not only the internal management of the bank, but also constant monitoring of the external economic environment also should go.

Table 4 Comparison of traditional and modern investment decision-making systems⁴

The criteria of the	Traditional system	Modern system
of decision-making	Subjective analysis	Data-drive (based on data)
risk assessment	Limited	Comprehensive (AI, simulations)
Efficiency	Low	High
Technology	Manual analysis	Big data, AI, cr of my system
Monitoring	Periodic	Real-time monitoring

The differences between traditional and modern systems of digital investment decision making is the process shows how important it is transformative in banking sector. The traditional system to rely more on the human factor and increases the level of these entities. While modern system based on the data (data drive) approach, the implementation of artificial intelligence and big data technologies, uses. This decision increases the accuracy and reduces risk. Significantly increases the efficiency of the competitiveness and efficiency of modern banking systems. Digitization is one of the main directions of the improvement of the system and therefore investment decisions.

³ Prepared by the author

⁴ Prepared by the author

Table 5 Commercial banks in investment decisions problems in the system⁵

The problem	Description	Outcome
Missing information	Incomplete market and customer information	Wrong decisions
Subjectivity	Decisions depend on the human factor	Increased risk
Weakness of risk assessment	Lack of modern models	Financial loss
Technological lag	Digital systems at a low level	Inefficiency
Slow monitoring	Insufficient project control	Capital non-repayment

The problems mainly lack of information in the system of commercial banks in investment decisions, technological stay behind and risk assessment associated with the weakness of the system. This problem is to make the wrong decisions and financial loss. Subjects upper the ministry also is an important problem many human decisions are based on personal experience and opinion. This increases the likelihood of systematic error. Also reduces the efficiency of the monitoring system of the weaknesses of investment. Therefore the actual introduction of the automated control and monitoring system for the digital bank.

Table 6 Directions for improving the investment decision-making system⁶

Direction	Measures	Expected result
Digitization	Implementing AI and Big Data	Quick and accurate decisions
Risk management	Modern risk models	Loss reduction
Human resource investment	Training of qualified specialists	Improve resolution quality
Transparency	Transparent decision-making system	Increase confidence
Monitoring system	Real-time monitoring platforms	Performance control

The directions of improvement of the investment decisions of the system represents the transformative modern banking system. For the introduction of digitization and artificial intelligence significantly increases the quality of decisions. While financial risk management plays an important role in ensuring stability, reduce losses and system modernization. This bank is a long-term strategic stability will be strengthened. Also, personnel and institutional investment decisions to ensure transparency of the system to increase the capacity of the solid increases. As a result, the banking system more efficient, reliable and competitive.

Summary

Commercial banks make investment decisions in increasing the efficiency of the system is an important factor in the improvement of the bank's activity. The analysis shows that

⁵ Prepared by the author

⁶ Prepared by the author

the quality of investment decisions directly to the bank's financial stability, is intertwined with the level of profitability and risk management. Therefore, investment decisions only short-term benefits from the point of view, but not long-term strategic goals should be taken on the basis of.

The results of the survey shows that in the present conditions, there are gaps in the process of making investment decisions in some systemic bank. In particular, incomplete information, and the advantage of the traditional approach in the risk assessment sufficient development has a negative impact on the quality of decisions. For this reason modern digital technology, artificial intelligence and automated analysis, the necessity of the introduction of the system is increasing.

In general, the investment decision-making system for the improvement of the competitiveness of the banks to increase the effective use of resources serves to increase financing of the real sector of the economy. In this direction, the risk-management development, enhance human capital is regarded as the most important strategic task of the introduction and transparent management system. As a result, it will strengthen the positive effects on economic growth and strengthen the stability of the banking system.

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