

## POSSIBILITIES OF STRATEGIC PLANNING FOR A GIVEN SAVINGS COOPERATIVE

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### Abstract

*Strategic planning is a condition of building the future. It's a continuously conducted activity, which covers a longer timeframe. All activities and tactical steps of strategic planning are done in order to reach the final goal. The goal of creating strategies is to reach business goals through enhancing strategic thinking. Strategy selects the main acting routes and operational limits. The strategic decisions made by the management are future-oriented. They have an impact on later options. As the future is unknown, and we can only base on forecasts, and oftentimes assumptions, strategic decisions are necessarily risky. The goal of our study is to introduce the options of strategic planning through the example of a certain Savings cooperative, in order to identify the possibilities of savings cooperatives for the future, their opportunities, and probable risk factors.*

**Keywords:** *planning, strategic, Savings cooperative, opportunities, risk factors*

**JEL:** G01, G29

### A stratégiai tervezés lehetőségei egy adott takarékszövetkezet vonatkozásában

#### Összefoglalás

*A stratégiai tervezés a jövő építésének feltétele. Folyamatos tevékenység, amely mindig hosszabb távot fog át. A stratégiai tervezésben minden tevékenység, minden taktikai lépés a végső cél elérését szolgálja. A stratégiaalkotás célja a stratégiai gondolkodás elősegítésén keresztül az üzleti célok elérése. A stratégia kijelöli a fő cselekvési irányokat és a működési kereteket. A vezetés által meghozott stratégiai döntések jövőorientáltak, befolyásolják a későbbi választási lehetőségeket. Mivel a jövő bizonytalan, és mindössze előrejelzésekre, sok esetben feltételezésekre támaszkodhatunk, a stratégiai döntések szükségszerűen kockázatosak. Tanulmányunk célja, hogy bemutassuk a stratégiai tervezés lehetőségeit egy adott takarékszövetkezet példáján keresztül, hogy ezáltal feltárjuk a szövetkezet jövőbeni kilátásait, lehetőségeit és az esetleges kockázati tényezőket.*

**Kulcsszavak:** *tervezés, stratégia, takarékszövetkezet, lehetőségek, kockázati tényezők*

**JEL:** G01, G29

## Introduction

What is strategic planning? Actually, there's no universally accepted definition. Strategic planning has many different definitions, there are multiple approaches. The goal of our study is to introduce the opportunities of strategic planning through a given Savings cooperative. The point of planning is to make the savings cooperative into a form which can satisfy demands others have in relation to it. Strategic planning is based on the analysis of environmental changes, and the opportunities of the savings cooperative. The savings cooperative doesn't operate in an airtight environment, it has connections with its environment through many access points, be that their near or far environment. The effects of the environment can give opportunities, but they can also bring hazards for the savings cooperative, helping or hindering them in reaching their goals. Strategic planning is a condition of building the future. It's a continuous activity, that encompasses a longer timeframe (Barakonyi, 1999). Within it, all activities and tactical steps are taken in order to reach the final goal. The goal of creating strategies is to reach business goals through enhancing strategic thinking. Strategy selects the main acting routes and operational limits. The strategic decisions made by the management are future-oriented. They have an impact on later options. As the future is unknown, and we can only base on forecasts, and oftentimes assumptions, strategic decisions are necessarily risky.

Strategic planning is a tool of dynamic planning. Getting to know the macro- and micro-environment of the savings cooperative is the first step. The conclusions drawn from the knowledge we obtain have to be used, while keeping the fundamental goal in mind, and has to be continuously faced off with the possibility of realising goals. Strategic planning, if used correctly, and oriented towards action and the future, can become an important tool of management. Therefore, strategic planning is a new thinking perspective (Szintay, 2000). Not only for the proper order of steps to take, to reach an imagined goal we want to realise. By using this new perspective, a savings cooperative can follow the changes happening in society and the business environment, thereby giving itself the chance to become a dynamic institution which is an initiator of changes, not a passive acceptor. In other words: strategic planning is one of the elements of survival. We need real strategies - ones which are not simply built on over-emphasising growth, but instead has a good balance with limiting factors, and properly interface with the 'new reality' after the economic depression.

## Source and method

In our study, we analysed the strategic opportunities of a given Savings cooperative. „The savings cooperative is a cooperative financial institution operating similarly to a bank, which is driven by membership interest, while the basis of its operation is the successful, profitable business.” (Gergely, 1994)

Banks aren't a separate entity within the national economy, they're a part of it. The bank system refers to the entirety of banks, their connections and relationship with each other. And the wealth of the bank system is none other than the balance sheet total produced by the entire bank system. In Hungary, the bank system has had two levels since 1987, which means that apart from the central bank, there are also banks in a lower position (commercial, business and loan banks, including grant institutions). These banks on the lower stratum of the bank system are in direct connection with the entities conducting economic activities, which means they manage the accounts of enterprises and households. The central bank is also called the bank of banks. This function in Hungary is held by the National Bank of Hungary (Szente, 2007). Its operations are regulated by Act CXXXIX of 2013. The main goal of the NBH is to achieve and cement price stability. The NBH helps the financial throughput system's stability being kept, without endangering its main goal, and aids it in increasing its immunity. It also helps it contributing more to the economic growth, and uses its tools to help the government with its economic policy (Act CXXXIX of 2013). The bank system's structure has further important points, like the weight of the savings cooperative sector, as in many developed countries, this form of grant institute has a significant role. Also, this segment has a significant role in being the middle-man in the financial affairs of rural areas. During strategising, financial institutions have to take the Basel regulations into consideration. These regulations have an effect on the strengthening intensity of their customers' risk preferences, the development of risk mitigation techniques, their increase, the changes in tool risk categories, and the data collection from customers. (Baranyi – Széles, 2010)

The profitability of savings cooperatives is impacted significantly by the country, and the region they're in - mainly their economic conditions. The international financial depression's consequences, which had horrible impact on workplaces, may drive Northern-Hungary's regions into an even tighter corner, therefore, savings cooperatives have to dedicate even more effort to not only serve the ones being left behind, but also to gain and keep customers which can keep their earlier position in society. Since the 2008-2009 economic depression, it's become even more important to be economically sound when talking financial affairs, and to plan in advance. The safety of operations is aided by not only the usage of domestic regulations, but also by the international regulation environment, application of European directives, which have a long-term effect on safe and stable operations, and by decreasing risks, minimising of losses. (Széles – Baranyi, 2016)

Our study is based on two main analysis methods, which are the SWOT analysis, and the BCG analysis, also called growth/share matrix. Maybe the most well-known, and simplest method of actual state evaluation is the SWOT analysis. It's relatively simple, fast, and covers both the organisation and its environment at the same time. (Roóz J., 2006) Based on these attributes, we chose this analysis methodology, which helps with identifying the market opportunities hidden within the savings cooper-

ative's operation, products and services. This method may serve as a guidepost for leaders with their decisions. (Chikán A., 2008) SWOT is an acronym, which consists of the following:

- Strengths
- Weaknesses
- Opportunities
- Threats

The BCG, also called growth/share matrix is perhaps the most widely used of portfolio analysis methods currently available, used for strategic analysis. Using it, we can see the different products' and services' strengths offered by the savings cooperatives on a visual representation.

## Results

One of the main values of the SWOT analysis, is that it guides the awareness of the management not only towards the analysis of the savings cooperative, but towards its environment as well. As the success of an organisation is fundamentally determined by how much they can adapt to the requirements of their environment. However, for this, we have to admit not only what the environment (clientele) demands from the savings cooperatives. We also have to know how similar organisations (savings cooperatives inside and outside the integration, and banks) deal with their competition. At the same time, the analysis of the environment is also important for the savings cooperative to realise the opportunities within their environment in time, which can be exploited to reach their goals, or determine new goals. It highlights weak, or comparatively weaker points of the savings cooperative, which need some change. The goal of their analysis is mainly not to better understand the savings cooperative's precise state, as more important than this, we must find opportunities based on identified strengths, thereby avoiding threats, and to make sure found weaknesses don't stand in the way of exploiting opportunities, and lead to the realisation of threats. The chart below (Chart 1) summarises the result of the savings cooperative's SWOT analysis.

Strengths	Weaknesses
<ol style="list-style-type: none"> <li>1. Unique edge in competition, trust of clients</li> <li>2. Good reputation</li> <li>3. Competent, expert, dedicated and motivated colleagues</li> <li>4. Quick and flexible work</li> <li>5. Machine park is modern, continuously changed, developed</li> <li>6. Central and other offices are new, properly renovated</li> <li>7. No liquidity problems</li> <li>8. All 12 units are outfitted with an ATM</li> <li>9. Close, good connections with the municipality</li> <li>10. All authorisations that commercial banks have, were obtained</li> <li>11. Good problem solving capabilities</li> <li>12. Open to all new business opportunities</li> <li>13. Friendly environment</li> </ol>	<ol style="list-style-type: none"> <li>1. Tight marketing budget</li> <li>2. Lacking points related to local sales of unique grant products</li> <li>3. Lacking points in unified administration</li> <li>4. Normal costs are relatively high</li> <li>5. Colleagues' initiative is low</li> <li>6. Lack of customer management training</li> <li>7. Not enough consultation time</li> <li>8. Operational area is economically disadvantageous</li> </ol>
Opportunities	Threats
<ol style="list-style-type: none"> <li>1. Taking part in tenders</li> <li>2. Seeking young clients even more strongly, keeping current clients</li> <li>3. Developing complementary products</li> <li>4. Increasing premium income</li> <li>5. Better utilisation of own webpage, Social media opportunities (Facebook, Instagram, etc.)</li> <li>6. „Idea farm”, colleagues exchanging experiences</li> <li>7. Increasing marketing activity</li> <li>8. Expanding pledgee business</li> </ol>	<ol style="list-style-type: none"> <li>1. Loan portfolio is degenerating</li> <li>2. More crimes towards personal effects and financial-related crimes</li> <li>3. The country's economic state is degrading</li> <li>4. Tight interest rate of big banks</li> <li>5. More and more strict legal regulations</li> <li>6. Disadvantageous governmental policy (bank tax, FX mortgage policy)</li> <li>7. Increasing pressure of consumer rights protection</li> </ol>

### 1. Chart: SWOT analysis of the savings cooperative

*Source: self-made, 2017*

***Strengths:*****1. Unique edge in competition, trust of clients:**

The ever-apparent trust of clients in the savings cooperative. During the 2008 economic depression, when most of the clients lost their trust in the entirety of the bank system, the traffic in savings cooperatives was constantly on the rise. This was supported by this unbroken trust, as we shaped our position with a proper cooperation. Directly knowing each other helped us in the hardest times too, our clients also knew that they always received a complete informing.

**2. Good reputation:**

The savings cooperative has been here for four decades, and during their operations, they made many connections with their clients, who offer their trust to the financial institution. Often times, customer service relations with a family go back for generations. The number of municipality customers increasing is also due to the good reputation. The savings cooperatives keeps the slogan “best advertising is a satisfied customer” in mind.

**3. Competent, expert, dedicated and motivated colleagues:**

The age average of employees is constantly improving, they aim to fill key management positions with young people with diplomas, and they constantly train their employees.

**4. Quick and flexible work:**

The direct, customer-friendly service can only refer to savings cooperatives nowadays. The administrators know the names of their customers by heart, and consider their clients not only a “number” - they know, with whom they’re talking, and what they can offer to individuals. The clients need contact, they expect that they can solve their financial problems in a time as short as possible.

**5. Machine park is modern, continuously changed, developed:**

It’s a law-declared obligation, but the management’s value system also prefers this area. In order to conduct quality work, quality tools are needed - this is exceptionally important regarding IT tools. A modern machine park has an even more pronounced effect on maximally satisfying clients.

**6. Central and other offices are new, properly renovated:**

Buildings and furniture are in exceptional technical and aesthetic state both inside and outside, their maintenance is frequent, all buildings have air conditioners. More and more tasks made expansion necessary, so the central building had a new wing added too.

**7. No liquidity problems:**

At the savings cooperative, experienced experts make sure that financial control is strict, an 8-day liquidity plan is also drawn up, which makes it possible to always have the necessary money request and keeping in order. The expiry times of the savings cooperative are in sync, the prudent operations are guaranteed. For the savings cooperative, liquidity-related decisions are exceedingly important, as one bad decision may immediately cause a risk for reputation as well.

**8. All 12 units are outfitted with an ATM:**

The savings cooperative considers having all its services at all its points available important. Even in areas where the only financial service is offered by the savings cooperative. This strategic decision can be considered a success from both the perspectives of gaining new clients, and keeping old clients as well, and should be followed even in the future.

**9. Close, good connections with the municipality:**

Administrators have direct connections not only with private clients, but with municipalities as well. In most settlements, during recent years, different subsidies and aids were paid in the municipality, which they had no proper tool-related and technical conditions for at all. The transportation of the money taken from the bank account and its handling also were not in line with the requirements of legal regulations. As the municipality and the clients have the same organisation manage their accounts, collective transfers are immediately registered on client accounts, and can be received via ATMs.

**10. All authorisations that commercial banks have, were obtained:**

The savings cooperative's palette has all services (internet banking, SMS service, etc.) which are also offered by commercial banks. Their products are modern, they can stand their ground in all aspects, and can remain competitive in the face of other contenders.

**11. Good problem solving capabilities:**

The organisation is mostly made up of creative individuals, who are assigned the proper rights, the hierarchical relations are clear, the organisational structure is understood well. Everyone knows who has to report a problem which comes up, and how much time they need to solve it. Efficient tools are at hand to solve any kind of problem. F. e.: through communication channels, any problems can be solved in a short time, and technical problems become avoidable. The administrators can consult their colleagues in the centre - loan department manager, central loan manager, risk manager (dealing with Széchenyi Card), and internal affairs manager - about professional challenges, and may request help via e-mail message as well.

**12. Open to all new business opportunities:**

They're first in line in introducing the products offered by the Takarékbank, thereby further expanding their services. They can only keep and expand their clientele, if they can offer services which match commercial banks' services. In the headquarters of the savings cooperative we analysed, they have a VOSZ point, where they can directly welcome their clients who want to obtain Széchenyi-, Gazda- and/or Agrár Cards. The savings cooperative's opinion is that they need to be first to introduce the services offered by the software provider (TAK-INVEST Co. Ltd.) as well, for the satisfaction of their customers.

**13. Friendly environment:**

As it's a small organisation, all employees personally know each other. The relationship between colleagues is very good, they often have outings for many days, where their group cohesion is strengthened, which is a good tool for reaching common goals.

***Weaknesses:*****1. Tight marketing budget:**

The savings cooperative doesn't use external marketing tools in sufficient quantity, apart from their information posts within the building. They frequently advertise their products through local cable television in settlements they have presence in. In national campaigns, they also take part through the OTSZ, but this isn't a sufficiently effective marketing tool, therefore, it has no measurable direct advantage. They sometimes have advertisements through Northern Hungary, these are targeted, usually refer to one discounted product. As for the series of events organised for their 40'th anniversary, they were mentioned in daily newspapers multiple times, but this was a unique opportunity. They should make themselves known. "Even good firms need advertisement."

**2. Lacking points related to local sales of unique grant products:**

Local offices don't take part in the sales of products in equal share. They aim to make all their products accessible in all their offices. In the initial period, only the central office dealt with their entrepreneur subsidies, but nowadays, though using the aid of the central office, each office offers this service as well. The Széchenyi Card constructions also need the central office's help - as this is where the VOSZ point is - but are accessible everywhere. There's still some work to do related to smooth administration.

**3. Lacking points in unified administration:**

At their local offices, they aim to work in a unified manner, though sometimes, there

are instances where local offices deal with a process, or stage differently. These differences can be continuously updated, found and registered by the internal affairs, and by choosing the best practice, they aim to unify the work at local offices. Their work can be supported by the orders of the management, and chain mails.

#### **4. Normal costs are relatively high:**

The normal costs of the savings cooperative are above the average of the sector, which stems from exactly the unique specifics which can't be said to be related to other financial institutions of different natures. Savings cooperatives can't allow to conduct their operations merely for direct profits, naturally, even cooperatives have to aim to reach a profit, but a similarly important factor is that masses of people aren't pushed out of the bank service clientele. They need to offer services even in areas where other banks have no offices to show, and services to offer.

#### **5. Colleagues' initiative is low:**

There's a lack of sales activity. We could expect more initiative from the employees, as they are the ones closest to clients, they receive information which helps them with their daily tasks the fastest. They try to avoid going into a sales pitch about new products, therefore, they have a lack of time spent on properly learning new stuff. Another frequent phenomenon is that when realising a possible problem, or when a constructive critique is formed, they never initiate the connection with those responsible, or in case they do, they usually are simply too late.

#### **6. Lack of customer management training:**

Due to the economic and financial depression, the financial situation of clients changed drastically, many have problems with paying, are aggravated, therefore, handling them requires more concentration and empathy. Stress management, communication and customer service should be held more often, with the help of psychologist experts.

Though customer service is part of the annual bank security training, this area should get much more focus.

#### **7. Not enough consultation time:**

There are not enough work meetings, and consultations, where there could be professional or practical experiences to share.

#### **8. Operational area is economically disadvantageous:**

There are enterprises which work well, but they're scarce, unemployment is higher than the national average, and the Northern Hungarian region is known for its widespread poverty. This remains well below the national average. These negative market conditions apparent in their area, however, their numbers are constantly increasing.

## ***Opportunities:***

### **1. Taking part in tenders:**

The savings cooperative should increase its presence on European Union tenders, which could serve as the capital for tool procurement and human resource training.

### **2. Seeking young clients even more strongly, keeping current clients:**

The savings cooperative has to continue gaining young clients, they have to realise a scenario where young people will think about the savings cooperative when they're asked about financial service in their local area. The "Cooperative" has to be advertised with leaflets, during homeroom in schools, etc. Younger generations have to be taught being economic as early as possible, maybe hold drawing contests to reach this audience.

### **3. Developing complementary products:**

In recent times, the interest margin has been shrinking continuously. In order to keep their profitability, they need to offer complementary products.

They need to strengthen their insurance products' sales in a wider area. They need to offer loan guarantee, mortgage, mandatory vehicle insurance and Casco services to their clients. They should expand the palette of these products in the future (f. e. life insurance product). They need to advocate that with a more widespread, administrator-level training, sales would expand. The goal is the same as that of the insurance company, thereby, both areas need to be improved.

### **4. Increasing premium income**

They should stress increasing premium income more. Beyond their basic financial services, there's more of a need to increase such income. Due to the interest margin shrinking, their actual profits are less and less, with covering their expenses.

### **5. Better utilisation of own webpage, Social media opportunities (Facebook, Instagram, etc.):**

The savings cooperatives has a website which has all the quirks needed in today's age requirements, however, they should capitalise on the opportunities of the "site" more to introduce the savings cooperative, and to advertise products.

### **6. „Idea farm”, colleagues exchanging experiences:**

They should often hold idea farms or other forms of brainstorming, with all employees in attendance, who could offer insights in relation to how they could improve the strategy of the savings cooperative. They could analyse the successfulness of earlier insights, or the reasons they weren't successful.

**7. Increasing marketing activity:**

Marketing activity needs to start through multiple channels. In their area of operations, usually all settlements have a local cable television, or local television, where they should be present at all times. They could also show themselves in the daily newspapers of their region more often.

**8. Expanding pledgee business:**

The savings cooperative has been conducting pledgee activities since 1998. Currently, they're in connection with more than 30 important middlemen. On the area of pledges, it's more advantageous to find new opportunities to expand the business.

***Threats:*****1. Loan portfolio is degenerating:**

The loan risk of the cooperative is high as usual, seeing how the unemployment remains high, and the still high frequency of enterprises going out of business, which is a significant problem for the traditional clientele of the savings cooperative, the SME sector.

The non-payment of clients who have debts has significant threats. Many clients can't assess their capability of taking on loans, and can't pay resulting in a debt trap, which causes the savings cooperative to form a value loss. This lowers income.

**2. More crimes towards personal effects and financial-related crimes:**

Attacks against cooperatives became more and more widespread in recent years, they consider these institutions sitting ducks. The central office was given an entry system, and even in spite of this, there were daylight robberies. Altogether, in these offices, there were nine instances of daylight robberies. Robbers were not always caught.

**3. The country's economic state is degrading:**

A country's economic state determines the state of those living within, may that be either banks, private customers, or entrepreneurs, or municipalities. The risk in this factor has become apparent for each and everyone due to the economic depression.

**4. Tight interest rate of big banks:**

Savings cooperatives, due to their size, capital strength and other factors, can't fight against larger commercial banks in terms of the interest rates their products have. In the operational area of their urban offices, all commercial banks have offices too, while in that of their rural offices, there's only Posta Bank. However, due to the city being close, clients also go to the financial institutions there as well, therefore, though indirectly, commercial banks in these areas are also competitors. Most of the

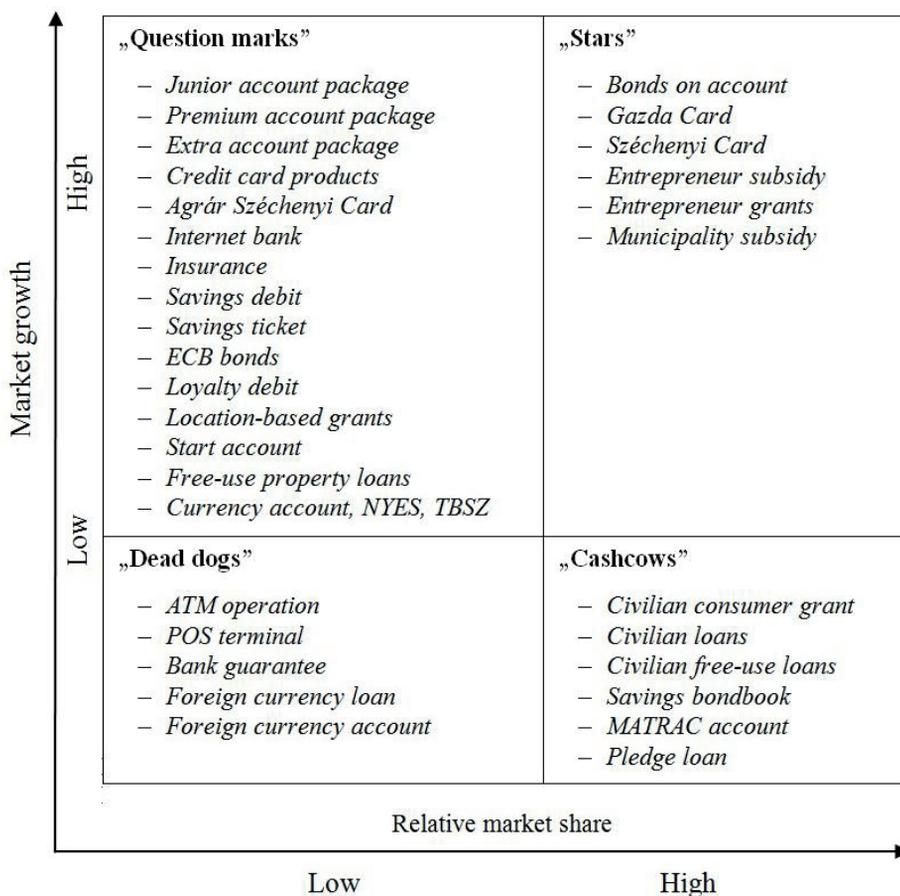
clients are sensitive to interest rates, and will take their money if they get an offer even a bit more advantageous.

### **5. More and more strict legal regulations:**

The savings cooperative is impacted more by a legal regulation decision due to their size and capacity, as they have to abide by the same requirements as the larger commercial banks, who have very serious foreign capital backing them from abroad, and can also employ a bigger group of experts.

In order to form the strategy of the savings cooperative in question, analysing based on the BCG matrix should be done as well. The BCG (Boston Consulting Group) matrix, also named growth/share matrix is the most well-known strategy analysis method, used to illustrate the strengths of the company's products and activities. Originally, it was developed for firms to make the decision of developing or discarding areas easier. This was mainly used for enterprise-level strategic decisions. Furthermore, the matrix can also be used on a business level, analysing the necessity of further products. It analyses enterprises based on their relative market share and market growth.

BCG matrix is a strategic analysis method, which can be used to analyse the products and services of the savings cooperative by their relative market share and market growth, which we will do. In the BCG matrix, these two are the axes by which the products and services are categorised. See the BCG matrix below.



2. táblázat Termékek, szolgáltatások BCG mátrixa

Source: self-made, 2017

Question marks are the products which interest customers, but the market position of the savings cooperative isn't significant. The strategy advised here is to choose question marks which have good potential to reach a strong market presence, and invest in them.

Stars are some of the best products of the savings cooperative, and their best services, which have a high market share on a dynamically developing and expanding market. The interest in these products is very strong, and yet, they're not profitable, as keeping the position on the market which has such a strong tempo of expanding - where it's important to satisfy the increasing demand, and to block the attacks of competitors - requires high costs to be invested. These products determine future profits, as the stars may become cashcows as well. Possible strategies: further advanc-

ing growth, or keeping it from decreasing. Cashcows are the products and services which have no, or nearly no growth on their current market, but have a significant market presence, and large relative market share. This state should be kept as a stalemate for as long as possible. The following strategies can be used: keeping the current status quo, or harvesting.

Dead dogs are the most disadvantageous products and services of the savings cooperative. For these products and services, the market simply doesn't, or only slightly grows, and the relative market share is also exceedingly low. Dead dogs can be former cashcows, or products and services which were never in the position to become significant contributors to begin with. These products or services are usually terminated, except when keeping them on the market prevents the competitors gaining a foothold once we vacate the market with them. Possible market strategies: keeping the status quo, or retreating.

## Conclusions

From our analysis, we drew the conclusions that the introduced savings cooperative has to keep its strategic goal possible in the future as well, has to make sure the conditions of prudent operations are in place, has to abide by the requirements of law as a financial institution, and in order to do just that, they have to constantly evaluate their own state of affairs, follow the state their most important indicators are in. In the shire, they should follow the savings cooperatives in their sphere of influence, and the results of the integrated savings cooperatives as well. The Hungarian financial sector still works with stable results, even in midst of hard macro-economic and market conditions, but its profitability and stability are threatened by various risk factors. Nowadays, risks are mostly remnants of the acute period of the recent economic depression. The most notable risk of the financial sector is that the quality of the portfolio is constantly on the decline, which can also be said for the savings cooperative we analysed.

The savings cooperative we chose managed to abide by the prudence requirements, where an important detail was abiding by the law, similarly to profitability, liquidity, continuous assurance of solvency, and the proper, logical use of cooperatives' principles. All this has to be kept up in the future as well. The business philosophy of the savings cooperative is "service-friendly": its main point is to spread financial culture in the area, and offer opportunities for the rural people to enjoy the financial infrastructure, so that no one is left out of the circle of bank services.

Profitability indicators also show that the goals determined in the strategy are correct, the main direction is correct. The basic aim is to make the income as high as possible, but as a savings cooperative, they can't allow themselves to simply base their operations on profits, as there's a profit expectancy, not a profit pressure is coming from the owners.

**In order to develop, the savings cooperative in question has to keep the following strategic routes in mind for the following five years:**

- An important task is to continue increasing the effectiveness of product development and product sales, and the quality of services and marketing processes
- They have to keep being able to pay, preserve their liquidity, increase their profitability, and keeping the constant increase in capital as it is also important
- Increasing the amount of deposits and loans
- Keeping loan and deposit ratio around 60%
- Increasing market share
- Winning more municipalities to get an account
- They should get a wider clientele familiar with the advantageous bank services stemming from their IT system, including private individuals, entrepreneurs, and older account owners (INTERNETBANK, SMS)
- Further increasing the number of civilian clients and the related credit card services
- Expanding financial institute products, creating more types of accounts for enterprises, which would consider the size, commerce, income, activities of the enterprise more
- Introducing transfers in foreign currency from foreign currency accounts
- Gaining and keeping younger generation clients (f. e. credit card, junior account package)
- Mass products need to be simple, transparent and easy to compare to each other and others
- Direct marketing has to gain more ground (f. e. clients should receive newsletters about the products of the savings cooperative.

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- The backside of the ATM receipts, and the monitor on the ATM have to be used as an advertising platform
  - Cooperative form must be kept
  - Local roles have to improved further (opening new offices)
  - The website has to be used in a wider array of ways, search optimisation
  - Social media exploitation
  - Spreading individual foreign currency transfers for both civilian and entrepreneur sectors
  - The business processes of the concurrence should be followed closer, also related to their newly marketed products
  - Foreign currency exchanging loans should be used to win more clients, who should be linked to the organisation through multiple products
  - Winning younger generation with the re-introduced homemaking subsidy

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