

Title: Analysis of Shandong's Banking Sector's Development State and Future Prospects

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ABSTRACT

In recent years, as one of the fastest-growing provinces in China, Shandong's GDP has maintained double-digit growth for 18 consecutive years. At the same time, the regional financial industry with the banking industry as the main body in Shandong Province has also made great progress, with the integration of banking resources constantly increasing and the competition becoming fiercer. In recent years, the profitability of banks in Shandong Province has improved year by year, and the transformation and development of banks are progressing in an orderly manner. However, there are still some problems such as insufficient competitiveness, low operating performance, single business, and imperfect internal governance. It is suggested that the government should strengthen support for the development of the banking industry, and banks should formulate appropriate development strategies, expand business areas, and improve internal governance.

The purpose of this paper is to financial banking development in Shandong province and to illustrate the background problem of banking services to society and industries. Shandong's economy is growing faster national average so which enforces

the banking system to diversify its financial structure while being still dominated by indirect financing, the proportion of direct financing in our province is lower than the national average level, and far behind the developed countries in Europe and America.

Moreover, there were unreasonable allocation of credit funds, bank regulatory problems, supervision and improvement countermeasures problem, lack of financial talents, uneven local economic development, internal governance, and risk control ability. The proposal of banking development ideas was raised from the SWOT analysis of the Bank of Jinan to penetrate the scenario industry environments and then seize the opportunity and open the gap with competitors.

Keywords: banking; Current situation of development; Competitiveness; prospects

