



Risk Analysis of Bank Supply Chain Finance Based on Customer Management

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Abstract

With the rapid development of China's economy, the demand for supply chain finance by banks is also growing. However, there are some risks and problems when banks conduct supply chain finance business. This article analyzes the financial risks of bank supply chain based on customer management, and puts forward some feasible risk control suggestions. Firstly, this article introduces the basic concepts, development status, and related risks of bank supply chain finance. By analyzing the current supply chain finance business in the Chinese market, it is found that banks have some problems in conducting business: lack of a complete customer management system, lack of advanced information systems, and lack of professional talent. Some concrete measures are proposed: establishing a sound customer management system, establishing a sound information system, and operational risk prevention system. Finally, this article conducts an in-depth study of bank supply chain finance business under the topic of "Risk Analysis of Bank Supply Chain Finance Based on Customer Management". Based on the various risks faced by banks in conducting business, some feasible and effective risk control suggestions are proposed: establishing a sound customer management system, establishing a sound information system, and operational risk prevention system. Through research and analysis, this article believes that starting with customer credit risk and information security risk based on customer management can effectively control various risks faced by banks' supply chain finance business, thereby improving the level of management and control of banks' supply chain finance business.

Keywords

Customer management, banking, supply chain finance

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1. Preface

1.1 Research background and significance

With the rapid development of China's economy, the supply chain finance business of commercial banks is also growing and expanding. However, in the process of business development, banks also face various risks, such as credit risk, market risk and operational risk. These risks will not only affect the overall business of the bank, but also may have a significant impact on the bank's customers, investors and society. Therefore, this article embarks from the customer management angle, has carried on the comprehensive analysis and the research to the bank supply chain finance

risk. This is of great significance to reduce the risk of supply chain finance business and improve the reputation and competitiveness of banks.

1.2 Research status at home and abroad

Scholars at home and abroad have done a lot of research on risk analysis of bank supply chain finance.

Domestic literature on risk analysis of bank supply chain finance based on customer management mainly involves the following aspects:

The impact of customer management on supply chain finance risk.

Yu Hui (2022) believes that customer management can help banks better identify the credit status, financial status and investment level of customers, so as to better manage the risk of supply chain finance. Song Hua (2021) believes that customer management is not the only important factor in a bank's supply chain finance business, because customer relationships can affect the bank's assessment of customers and credit policies, thereby affecting the bank's supply chain finance risks.

Credit risk.

Sheng Tianxiang (2020) believes that customer credit risk is an important factor affecting the supply chain finance business of banks, which can be prevented and controlled by analyzing customer credit status, evaluating credit cycle and controlling credit limit.

Operational risk and technical risk.

Lu Qiang and Liu Beni (2019) believe that operational risk and technical risk are the important factors that affect the supply chain finance business of banks.

To sum up, foreign literature on risk analysis of bank supply chain finance based on customer management mainly involves the following aspects:

Some scholars believe that customer management can help banks better identify customer credit status, evaluate credit cycle, control credit limit, so as to reduce the risk of supply chain finance business.

Customer credit risk.

Xiao Wen (2019) believes that customer management can help banks better identify the credit status of customers, evaluate the credit cycle, control the credit limit and so on, so as to reduce the risk of supply chain finance business.

There are abundant researches on risk analysis of bank supply chain finance based on customer management in foreign countries, mainly involving the following aspects:

The impact of customer management on supply chain finance risk.

Tomasz Piskorski (2018) believes that customer management is a crucial factor in the supply chain finance business of banks, which can help banks better identify customers' credit status, financial status and investment level.

The impact of customer relationship on supply chain finance risk.

Some scholars believe that customer relationship can affect the bank's evaluation of customers and credit policy, thus affecting the risk of banking supply chain finance business.

Customer credit risk.

Some scholars believe that customer credit risk is an important factor affecting the supply chain finance business of banks, which can be prevented and controlled by analyzing customer credit status, evaluating credit cycle and controlling credit limit.

Operational risk and technical risk.

Some scholars believe that operational risk and technical risk are the important factors that affect the supply chain finance business of banks.

To sum up, the domestic literature on risk analysis of banking supply chain finance based on customer management mainly involves the following aspects:

Some scholars believe that customer relationship can help banks better identify the credit status of customers, evaluate the credit cycle, control the credit limit, so as to reduce the risk of supply chain finance.

Generally speaking, domestic and foreign scholars believe that customer management plays an important role in the risk analysis of bank supply chain finance, but there is still some controversy. Some scholars believe that customer management plays a vital role in the risk analysis of bank supply chain finance, because it can help banks better identify and evaluate the credit status, financial status and investment level of customers, so as to better manage the risk of bank supply chain finance business. Other scholars believe that customer management is not the only important factor in supply chain finance business, because customer management will also affect the bank's assessment of customers and credit policies, thus affecting the risk of supply chain finance business. Therefore, how to better identify and evaluate customer credit status, financial status and investment level, as well as how to better manage customer relations and

develop more reasonable credit policy, still need further study.

1.3 Research content and methodology

1.3.1 Main contents of the study

Analyzing the risk of bank supply chain finance based on customer management, including identifying risk factors, evaluating risk level, evaluating customer credit status and evaluating investment level.

This paper studies the influence mechanism of customer management on supply chain finance risk of banks, including influencing factors and results.

How to better manage customer relationship and make more reasonable credit policy to reduce the risk of bank supply chain finance based on customer management is studied.

Study some typical cases, including actual cases and theoretical studies. Through the case analysis, we can know more about the risk of banking supply chain finance based on customer management.

1.3.2 Research methods

Literature research method is a method of obtaining information and knowledge about research objects by studying and analyzing existing literature. It can help us understand the existing research results and the status quo, and access to relevant information and knowledge about the object of study.

The literature approach to risk analysis of banking supply chain finance based on customer management perspective may include the following steps:

Search the literature related to the subject, including periodicals, books, reports, conferences, etc.; analyze these literature, understand the existing research results and current situation, and obtain the relevant information and knowledge; study the concepts, theories, methods, technologies, etc. involved in these literature, and apply these concepts, methods, etc. to new cases; study the cases involved in these literature, and use the existing theories, methods, technologies, etc. in new cases, so as to verify the obtained information and knowledge; evaluate the existing literature, and assess the direction and trend of future research, and predict the direction and trend of future development.

Case analysis method is a method of understanding the object of study through the analysis of actual cases. It can help us understand the laws and relationships involved in historical cases, and gain relevant experience and lessons. The risk analysis of bank supply chain finance based on customer management can use case analysis method to better understand and evaluate the risk of bank supply chain finance.

The method of analysis and summary is a commonly used method. The steps are as follows:

Inducing and summarizing the research results and conclusions. In the research process, we can better understand the basic situation and laws of the research object by inducing and analyzing the existing research results and conclusions.

Analysis of the characteristics of the object of study, in the study, through the analysis of the characteristics of the object of study, to understand its internal relations and laws. In the study of risk analysis of bank supply chain finance based on customer management, we can better understand the causes and impact of risk by analyzing the characteristics of the study object.

Future research directions and trends can be evaluated by evaluating the research contents and methods, predicting future research directions and trends, and providing reference for future work.

2. Relationship between Customer Management and Bank Supply Chain Financial Risk

2.1 Impact of Customer Management on Bank Supply Chain Financial Risk

The impact of customer management on supply chain financial risks of banks is mainly reflected in the following aspects:

Customer management can help banks better identify customers' credit status, financial status and investment level, so as to better manage the risk of supply chain finance.

Customer management can help banks to evaluate the trend of customer credit, evaluate the credit limit and control the credit cycle, thus affecting the risk of supply chain finance.

Customer management can help banks better understand the customer's financial status, investment level and credit records, so as to better develop and adjust credit policies and reduce the risk of supply chain finance.

Customer management can help banks better identify and evaluate those customers who have credit risk due to various reasons, so as to better develop appropriate risk control measures.

Customer management can help banks improve customer service level, optimize service process, improve technical level, thus improve customer satisfaction and loyalty, reduce the risk of supply chain finance.

2.2 Impact mechanism of customer management on supply chain financial risks of banks

The analysis of the impact mechanism of customer management on the supply chain financial risks of banks mainly includes the following aspects:

Customer management can help banks better identify customers' credit status, financial status and investment level, so as to better manage the risk of supply chain finance.

Customer management can help banks to evaluate the trend of customer credit, evaluate the credit limit and control the credit cycle, thus affecting the risk of supply chain finance.

Customer management can help banks better understand the customer's financial status, investment level, credit records, so as to better develop and adjust credit policies, reduce the risk of supply chain finance.

Customer management can help banks better understand the credit risk of customers caused by various reasons, so as to better develop appropriate risk control measures.

Customer management can help banks improve customer service level, optimize service process, improve technical level, thus improve customer satisfaction and loyalty, reduce the risk of supply chain finance.

2.3 Impact of customer management on supply chain financial risks of banks

(1) Risk identification: through customer management, the credit status, financial status and investment level of customers can be better identified, so as to better formulate and adjust credit granting policies and reduce the financial risks of bank supply chains.

(2) Risk early-warning: through customer management, customers causing credit risks can be better identified, and corresponding risk early-warning measures can be better formulated to reduce the risk of supply chain finance of banks.

3. Risk analysis of bank supply chain finance based on customer management

3.1 Significance of Analyzing the Risk of Bank Supply Chain Finance Based on Customer Management

The significance of analyzing the risks of banking supply chain finance based on customer management lies in:

Help banks to better understand the customer's credit status, financial status and investment level, so as to better develop and adjust the credit policy, thus reducing the bank supply chain finance risk.

Help banks better identify and assess the credit risk caused by various reasons, so as to better develop the corresponding risk warning measures to reduce the risk of bank supply chain finance.

Help banks to improve customer service level, optimize service process, improve technical level, so as to improve customer satisfaction and loyalty, reduce the bank supply chain finance risk.

3.2 Steps and Methods for Analyzing Supply Chain Financial Risk of Banks from the Perspective of Customer Management

The steps and methods for analyzing the financial risks of bank supply chains from the perspective of customer management are as follows:

Collect information: Collect customer information, including customer's basic information, credit records, financial status, etc.

Analysis: Analysis of customer information to identify potential risks.

Formulate measures: according to the identified risks, formulate corresponding risk prevention and control measures to reduce the risk of supply chain finance.

Evaluate the effectiveness: Evaluate the control measures to determine their effectiveness.

Continuous improvement of customer management level to ensure that the bank's supply chain finance risks continue to reduce.

3.3 Analysis of specific cases of supply chain finance risks of banks based on customer management perspective

The following is a case study of the supply chain finance risk from the perspective of customer management:

Supplier Management: Company A, a professional steelmaker, provides Company B with a loan to purchase its products. However, because B company failed to effectively manage its supply chain, resulting in losses.

Customer management: Company A used defects when selling products to customers, resulting in a loss. This is due to the lack of effective customer management, risk assessment and control measures.

Inventory Management: Company A provided Company B with a loan to purchase raw materials, spare parts and products. However, losses resulted from the ineffective management of inventories, risk assessment and control measures.

These cases show that customer management is a crucial link in the banking supply chain finance business. Banks should strengthen customer management, take effective measures to reduce risk, improve customer loyalty and value creation.

4. Conclusions and prospects

4.1 Conclusion

To sum up, for the risk analysis of bank supply chain finance, it is necessary to first understand the credit status and investment level of customers, and then identify the credit risk of customers. Then, it analyzes the risk of customer evaluation, such as evaluation of credit cycle, evaluation of credit limit, etc., to determine possible risks. Finally, the risk early warning of customers, such as the establishment of customer early warning system, strengthening customer tracking, to ensure that the bank's supply chain finance business can always be in a safe state.

4.2 Future research outlook

For future research prospects, the following aspects can be considered:

Data-driven risk assessment. At present, risk assessment is mainly based on expert experience or data, and lacks quantitative analysis. In the future, more attention can be paid to data-driven risk assessment, such as using machine learning, deep learning and other technologies to analyze customer data, so as to more accurately identify and assess risks.

Supply chain finance risk management system optimization. The current risk management system is mainly based on the internal of the bank and lacks inter-departmental coordination and cooperation. In the future, the risk management system of supply chain finance can be optimized and the information sharing among different departments can be realized by using the supply chain finance platform, third-party guarantee and other technologies to improve the risk management level.

Application of new technology in supply chain finance risk management. At present, the technology is mainly used within the bank, and the research on the application of technology in supply chain finance is lack. In the future, we can pay more attention to the application of new technology in supply chain finance, such as Internet of Things, block chain, big data and so on.

Improve risk management. At present, the level of risk management is mainly based on the bank itself, and the lack of attention to the external environment. The risk management level can be further improved in the future, and the risk management level can be continuously improved by cooperating with third parties and government agencies.

Strengthen the research on regulatory policies. At present, the regulatory policy mainly focuses on the security of the bank's own business, and we can further study how to strengthen the impact of regulatory policy on supply chain finance risk.

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