



The quality of banking service and its impact on the performance of the banking sector in Iraq

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ABSTRACT

As the world business is getting large and complex, and demands are also spreading which requires more quality services and professionalism in banking. The quality of banking must meet the need of all the customers accordingly, in recent times; institutions are obligated to render high quality of services in respect to their offers. The more banks provide better services the best will be satisfactory feedback. It is the fact and had proven by different researchers that better services do motivate the customers and build up their satisfaction. Others services dimensions provide a platform to evaluate service quality. The objective of this study is to determine the association among customer satisfaction and the quality of services in service sector of the banking. The quality of banking services is subjected to maximize the profits and reduce the cost. Profit can be strengthening through achieving increases in sales and minimizing cost. For all the main option is customer satisfaction, because customer satisfaction leads the consumers loyalty. The services must be standardized level and having that in minds completion is also an option to remain classical in the market. Iraq banking system can be classified such as dynamic business circumstance in that bank counter generally has complexity to extend the maintaining of market sharing. The better services provide the remarkable result and enhance the performances in Iraq. According to the study banking had brought huge revolution in all sectors in Iraq, similarly it has also provided better push to the GDP of Iraq. However there are still some points and gaps to be filled as soon as possible to run the system smoothly. There is classical relationship between bank and customer the better you service the best you would expect. The study search out the points that the banks performances in view of return on assets gives outstanding positive linking with equity to assets ratio, liabilities to assets ratio, and bank size. On the

other hand, long-term debt to assets ratio, short-term debt to assets ratio, and total debt to assets ratio exhibit brilliant negative consequence on banks' performance. This search also underlines new realities for improving the level of understanding of the capital design and its combination with banks' performance in enriching economies like Iraq. This study is considered one of the earliest studies of its types by determining the Iraqi banks' optimal structure and examining capital structure's impact on their performance.

I. INTRODUCTION

The main objective of this paper is to illustrate the quality of banking and its impact on the overall banking sector. It also aims to find out the performances and profits in Iraq or in Iraqi stock exchange. The research variables indicate the analysis and related work to the banking in Iraq. Generally banking has great impact on the country treasury particularly in Iraq, it also provides the better advantages for the public to keep their properties safe and through a systematic way (Lifkin, 2014). As was said early that banks in Iraq has a lot to play and support the public to increase their trust and believe. There are still some gaps and issues regarding to banking in Iraq which needs to be filled as soon as possible, because if the time is taken and result not being produced on time, it may cause the smoothness of the activities of the overall banking in Iraq. According to the study most of the times there is a gap between customers and banking which means people are having the greatest issues and misunderstand which requires full consideration. The services which are provided the banks are average level, and needs more work and attention to be paid. The more banks provide better services the best will be satisfactory feedback. It is the fact and had proven by different researchers that better services do motivate the customers and build up their satisfaction. Others services dimensions



provide a platform to evaluate service quality. The objective of this study is to determine the association among customer satisfaction and the quality of services in service sector of the banking. The quality of banking services is subjected to maximize the profits and reduce the cost. Profit can be strengthening through achieving increases in sales and minimizing cost. For all the main option is customer satisfaction, because customer satisfaction leads the consumers loyalty. The services must be standardized level and having that in minds completion is also an option to remain classical in the market. Iraq banking system can be classified such as dynamic business circumstance in that bank counter generally has complexity to extend the maintaining of market sharing. The better services provide the remarkable result and enhance the performances in Iraq. According to the study banking had brought huge revolution in all sectors in Iraq, similarly it has also provided better push to the GDP of Iraq. However there are still some points and gaps to be filled as soon as possible to run the system smoothly. There is classical relationship between bank and customer the better you services the best you would expect from the clients.

Generally banking is emerging sector in the financial zone and people are getting familiarization with its procedure and methodology which (Cohen, 2014).

1. The quality of banking services in Iraq

As we are in the 21st century, the world over all economic and financial aspects are being totally changed, according to the researchers economic transformation had direct impact on productivity and services based on projects. In the view Iraq had faced all these challenges in such developing countries (Shaymaa D. Hashem, 2019). Currently it is being issues regarding to improve the quality of banking in Iraq, most of the developing countries are trying to enhance and make quality transformation in the system of banking which may impact the overall aspect of the nation and country. This issue needs full attention to pay a quality contribution to banking sector. Iraq banking system needs full and comprehensive contribution to fulfill all the requirements of the state accordingly and increase the interest of the banking customers (Belk, 2017). The quality of banking is further explained by the different researchers as given below.

No.	Researcher	The year	Concept
1.	Abdelkader	2005	It is a measure of the degree to which the level of service provided to customers meets their expectations.
2.	Al-Jariri	2006	The Bank's ability to respond to customers' expectations and requirements.
3.	Makdadi and Al-Sukkar	2014	The extent to which the service provided satisfies or exceeds customer expectations.
4.	Al-Basir	2013	The ability of banking services to achieve customer expectations in the light of a set of bases or indicators on which these customers are based on the judgment on the quality of services, including reliability, materiality, response, empathy and safety.
5.	AL- Otaibi	2005	The ability of the management to produce or provide a service capable of meeting

Figure 1: quality of banking

1.1 Quality services dimensions

To be honest there is no such accurate and solid definition of the dimensions of the quality services in the banks sector. Different researchers had shown distinguish ideas and definition accordingly. Some of the most acceptable and implementable ideas had dragged to the national and international level are being discussed. Through dimensions we can clear the quality of services of banking but must be confirmed and should have some international aspect and rules. There are

different banks in Iraq and all have the different dimensions according to their internal and external system. Some of the implement services in huge numbers and have not being confirmed to be high level, some of them are providing little services but are classical and does support the public in general. Iraq is under developing country and its public is on its way to be enriched and promote the banking sector fully. Such dimensions are being stated as below which are the most common particularly in Iraq (Belk, 2016).



The dimensions	Explanation
Reliability	The service must be reliable and should have the most advances for the common person or customers.
Respond level	The service given to the customers must be swift and have the fastest time in term of responding. Currently the whole focus is on the speedy working of the banking and that does impact on the customers to be a permanent member of the said bank.
Accessibility	Simple and easy accessibility provides the better chances to engage the most of the customers and increases their numbers. Similarly increasing the level of customers has direct impact on the profit of the banking. In Iraq it is necessary to have all the accessibilities for the customers to improve the culture of banking.
Security	The most and biggest problem for today banking and online transaction is security. Most of the banks in Iraq have the poor and unplanned security management which may cause the smooth transaction of the banking in Iraq however it is now a global issue for the world and it needs enough attention to resolve this issue and being complex and unbroken changes in the security of banking and its finical transaction.
Connection	Customers and banks must have a fruitful connection and should provide the accessibility for the customers. According to the researchers Iraq has the issues of connectivity and if there is but is in the old version and slow in terms of the current world business aspect. Iraq banking system requires the modification of the connectively to enrich the exchange of data.

1.2 Financial transactions

Present enhancement & modification in banking	Planes added by banks in global transformation
1. Liberalization of trade in financial services	1. Serious preparation to deal with modern banking innovations
2. Expansion of e-services	2. Providing innovative financing activities
3. Transformation into comprehensive banks with diversified service	3. To increase and handles of capital market and the modification in nature of banking intermediation.

The better service if to be calculated is the transaction. Most of the banking systems are having the problem of poor transformation of the cash or data in some cases; however with the passage of time this particular sector of the banking has been improved dramatically which is a good aspect for the future. In Iraq most of the banks are still working to enhance the level of transaction to motivate the customers as much as possible because most of the customer are very careful about their money transaction and do prefer the banks who have the better options and chances for safe and timely transactions. The world had witnessed financial mutual changes contribute to empower the capitalist system. The most outstanding aspect was transfer of banks form the investment to the deposit and to enlarge the competition to gain the foreign capital. The quality service to be provided to the customers is the service of transaction (Stephany, 2015). In Iraq it is required that all banks must have the service of transaction and must be functional which may improve the level of interest of the

customers and may also enlarge the culture of banking.

1.2 Marketing Performance

The current challenge for all sorts of businesses is the market performances. All the banks are fully concern with the orientation of the marketing and its challenges that are facing by different sectors in the world. Marketing performances are so important because it replicates the ability and create value by gaining performances of marketing and increasing the profit as well as enlarging the customer's interest and believe. According to the research sales growth can be increased with the passage of time if the focus is paid to the performances of banks. In Iraq most of the banks are struggling to find out the best and better platform for providing better and enhanced sort of situation in which all the customer are being fully satisfied and supported. The quality of marketing proves that bank has the ability to support enlarge number of customers in the present as well in the future. Marketing performances in the banks



point to the goals and objectives to be achieved. Market performances are so important that takes you to the peak of the market and increase the trust of the nation and customers towards the banks. In Iraq mostly people have the idea to deposit in banks if the said bank is trusted and having the quality

performances in the market. This is one of the best qualities of service being provided by the banks in Iraq. People have enough luxury and investment when the banks are being came to existence (Möhlmann, 2015).

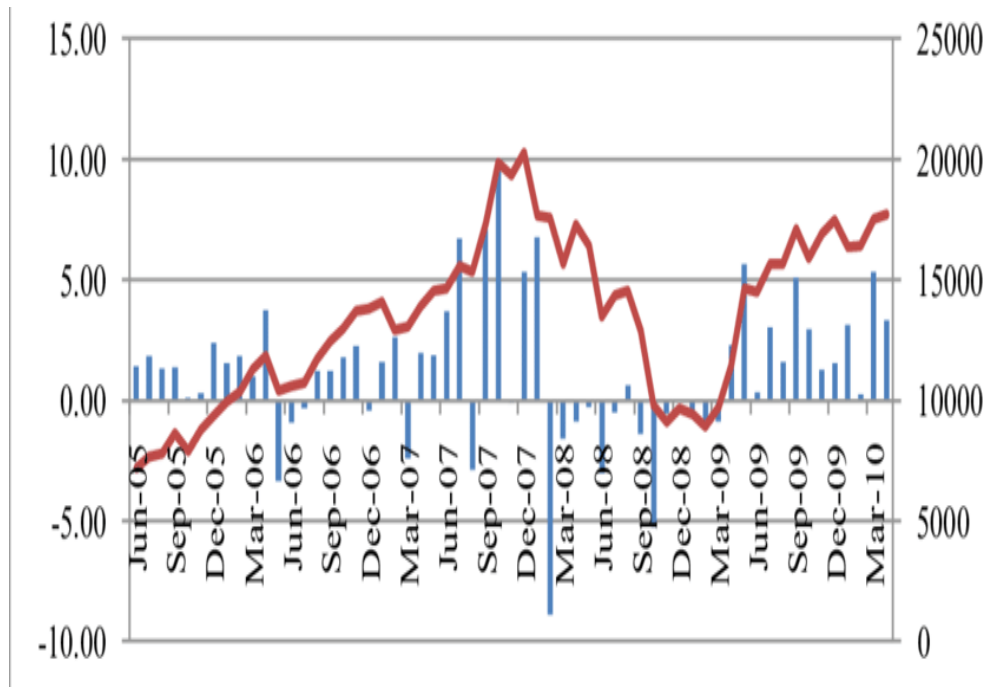


Figure 2: market performances

II. DIFFERENT BANKS FINANCIAL STATUS IN IRAQ

According to the research study different banks were visited and data was collected during that period of time. The banks are having good time in the future and will help the people of Iraq in all aspects. As far as this paper is concerned Iraq banking sector is fully coordinating the national and its customers. Mostly people are encouraging to invite and despite the money and do financial work through the banking system and abounded the conventional way of keeping money (Shaymaa D. Hashem, 2021). According to the study distinguish

aspects were collected and was analyzed through a digitized manner. In Iraq most of the banks are still working to enhance the level of transaction to motivate the customers as much as possible because most of the customer are very careful about their money transaction and do prefer the banks who have the better options and chances for safe and timely transactions. The world had witnessed financial mutual changes contribute to empower the capitalist system (Nadkni, 2010). The most outstanding aspect was transfer of banks form the investment to the deposit and to enlarge the competition to gain the foreign capital.

Banks	Mean		SD		CV		
	2012-2014	2014-2016	2016-2018	2018-2019	2019	2020	
1							
2	Union bank of Iraq	33.45	33.43	44.54	23	33	44.32
3	Investment bank Iraq	33.3	23.3	33.22	22.22	22.22	34.2
4	Credit bank of Iraq	33.3	33.23	44.3	45.4	55.4	54.4
5	.national bank of Iraq	55	66.5	45.66	65.6	56	56.44
6	Super commercial bank	55.3	66.6	54	65.44	67.55	43.5
7	Babylon bank	66.3	55.4	45.2	56.4	66.6	34.3
8	Bank of Baghdad	55.6	65.5	56.55	77.7	56.7	67.6



III. OBJECTIVE OF THIS PAPER

1. The main aim of this paper is to find out the quality services and its impact on the overall performances in Iraq. According to the study banking has a lot to provide to the GDP of Iraq and enhance their economic growth. It is also stated that banks in Iraq have direct impact of the people property safeness. The research seeks to measure the banking performance of the sample banks by measuring (the ratio of cash to deposits, the ratio of cash to assets, the ratio of loans to assets, the ratio of loans to deposits).

2. This paper also aim to suggest what more is required to be filled as soon as possible in banking sector in Iraq. According to the study there is still a lot to be done to make all the functions of the banking as accessible as possible which makes people more comfortable and easy to be accessed. All the services must be easy and on the door of houses for all ages f the customers and build the trust of the customers according to enlarge the level of investments.

3. The research seeks, through analysis and discussion, to reach conclusions regarding banking performance, as well as to reach recommendations that help in addressing deficiencies in performance. Marketing performances in the banks point to the goals and objectives to be achieved. Market performances are so important that takes you to the peak of the market and increase the trust of the nation and customers towards the banks. In Iraq mostly people have the idea to deposit in banks if the said bank is trusted and having the quality performances in the market. This is one of the best qualities of service being provided by the banks in Iraq. People have enough luxury and investment when the banks are being came to existence.

4. Customersatisfaction is also the key point to be kept in mind and increase their trust through a systematic way and enlarge the consumers by givingbetter and best qualityperformances. According to the study Iraq banking system and sector is quite capable and has the energy to smooth the economic zone of the Iraq treasury. It is also stated that though banking all the illegal money transaction would be banned.

IV. DISCUSSION

To sum off the all the ideas of quality services of banks in Iraq and its impact on performances reliability, speed, accuracy, erasing more complexity and management of data. It is the fact and had proven by different researchers that

better services do motivate the customers and build up their satisfaction. Others services dimensions provide a platform to evaluate service quality. The objective of this study is to determine the association among customer satisfaction and the quality of services in service sector of the banking. The qualities of banking services are subjected to maximize the profits and reduce the cost. Profit can be strengthening through achieving increases in sales and minimizing cost. For all the main option is customer satisfaction. According to the research sales growth can be increased with the passage of time if the focus is paid to the performances of banks (Kumar, 2011). In Iraq most of the banks are struggling to find out the best and better platform for providing better and enhanced sort of situation in which all the customer are being fully satisfied and supported. The quality of marketing proves that bank has the ability to support enlarge number of customers in the present as well in the future. Marketing performances in the banks point to the goals and objectives to be achieved. The world had witnessed financial mutual changes contribute to empower the capitalist system. The most outstanding aspect was transfer of banks form the investment to the deposit and to enlarge the competition to gain the foreign capital. The quality service to be provided to the customers is the service of transaction. It also aims to find out the performances and profits in Iraq or in Iraqi stock exchange. The research variables indicate the analysis and related work to the banking in Iraq. Generally banking has great impact on the country treasury particularly in Iraq, it also provides the better advantages for the public to keep their properties safe and through a systematic way. As was said early that banks in Iraq has a lot to play and support the public to increase their trust and believe (Cadogan, 2012). There are still some gaps and issues regarding to banking in Iraq which needs to be filled as soon as possible, because if the time is taken and result not being produced on time, it may cause the smoothness of the activities of the overall banking in Iraq. In the view Iraq had faced all these challenges in such developing countries. Currently it is being issues regarding to improve the quality of banking in Iraq.

V. CONCLUSION

To end off the whole work and study and generate a spectacular aspect of the banks in Iraq and its impact and quality services. According to the study distinguish aspects were collected and was analyzed through a digitized manner. In Iraq most of the banks are still working to enhance the level of



transaction to motivate the customers as much as possible because most of the customer are very careful about their money transaction and do prefer the banks who have the better options and chances for safe and timely transactions. The better service if to be calculated is the transaction. Most of the banking systems are having the problem of poor transformation of the cash or data in some cases; however with the passage of time this particular sector of the banking has been improved dramatically which is a good aspect for the future. In Iraq most of the banks are still working to enhance the level of transaction to motivate the customers as much as possible because most of the customer are very careful about their money transaction and do prefer the banks who have the better options and chances for safe and timely transactions. According to the study there is still a lot to be done to make all the functions of the banking as accessible as possible which makes people more comfortable and easy to be accessed. All the services must be easy and on the door of houses for all ages of the customers and build the trust of the customers according to enlarge the level of investments. Marketing performances in the banks point to the goals and objectives to be achieved. Market performances are so important that takes you to the peak of the market and increase the trust of the nation and customers towards the banks. In Iraq mostly people have the idea to deposit in banks if the said bank is trusted and having the quality performances in the market. This is one of the best qualities of service being provided by the banks in Iraq. The services must be standardized level and having that in minds completion is also an option to remain classical in the market. Iraq banking system can be classified such as dynamic business circumstance in that bank counter generally has complexity to extend the maintaining of market sharing. The better services provide the remarkable result and enhance the performances in Iraq. According to the study banking had brought huge revolution in all sectors in Iraq, similarly it has also provided better push to the GDP of Iraq. However there are still some points and gaps to be filled as soon as possible to run the system smoothly. In Iraq most of the banks are still working to enhance the level of transaction to motivate the customers as much as possible.

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