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دراسة في مصرف بغداد الاهلي

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ECONOMICS AND ADMINISTRATIVE STUDIES JOURNAL (EASJ)

EISSN: 3005-3625, PISSN: 2790-2560, DOI: http://doi.org/10.58564/EASJ/4.3.2025.11

Governance's impact on the caliber of banking performance
Field study in the privet bank of Baghdad

تاثير الحوكمة في جودة الاداء المصرفي
دراسة في مصرف بغداد الاهلي

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تاريخ الاستلام: 2024/10/21 تاريخ القبول: 2025/02/02 تاريخ النشر: 2025/09/01

Received: 21/10/2024 Accepted: 02/02/2025 Published: 01/09/2025

المستخلص:

تهدف هذه الدراسة إلى تسليط الضوء على طبيعة العلاقة بين متغير جودة الأداء المصرفي (الإبداع، والرضا الوظيفي، ورضا العملاء) وجوانب الحوكمة (الشفافية، والمساءلة، والمشاركة). فالحوكمة الرشيدة تأثير على مستوى الخدمات المصرفية ، فهي ضرورية لتحسين أداء الشركات التجارية ، وتُعدّ جودة العمليات المصرفية من العوامل الرئيسية المؤثرة في نمو هذه المؤسسات. وقد كشفت مشكلة الدراسة عن جهل واضح لدى عينة البحث بالعلاقة بين الحوكمة وجودة الأداء المصرفي . لقد تم اختيار عينة البحث بطريقة عشوائية بسيطة من موظفي احد المصارف العراقية الخاصة المرموقة ، وتألفت العينة من (70) سبعين موظفًا من مصرف بغداد وفروعه. واستُخدمت قائمة أسئلة مصممة لتلبية العديد من المتطلبات كأداة رئيسية لجمع البيانات. كما تم استخدام برنامج SPSS، وهو برنامج إحصائي جاهز، لرقمنة بيانات الدراسة وتحليلها . هذا ويستخدم البحث المعني مجموعة متنوعة من الأساليب الإحصائية ، مثل حساب المتوسط، والانحراف المعياري ، ومعامل التباين ، ومعامل ارتباط سبيرمان ، ومعامل الانحدار الخطي المباشر . وقد أسفرت نتائج هذه المنهجيات عن مجموعة متنوعة من النتائج. وقد عززت معظم هذه النتائج فكرة وجود علاقة وثيقة بين الحوكمة والجودة . وبالنظر إلى أهداف الدراسة وسماتها المُعترف بها، يوصي الباحثون المصارف بأهمية تعزيز فهمها للحوكمة في بيئاتها المحلية لتحسين أداء البنوك ، ولا يمكن المبالغة في أهمية هذا الأمر عندما يتعلق الأمر بكفاءة البنوك.

Abstract

This study aims to provide light on the nature of the link that exists between the quality variable of banking performance (creativity, job satisfaction, and customer satisfaction) and the governance aspects (transparency, accountability, and participation). Good governance has an impact on the standard of banking services as it is essential to enhance the performance of commercial companies. The quality of banking operations is among the main factors influencing the growth of these organizations. The study's issue revealed that the sample participants were conspicuously unaware of the relationship between governance and banking performance quality. A simple random selection procedure was used to choose a number of staff members from respectable private Iraqi banks in order to establish the research sample. The sample consisted of seventy employees from the Bank of Baghdad and its branches.

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EISSN: 3005-3625, PISSN: 2790-2560, DOI: doi.org/10.58564/EASJ/4.3.2025.11

A list of questions designed to meet many requirements served as the main tool for gathering data. Take use of SPSS, a ready-made statistical application, to digitise and analyse study data. The research in question employs a variety of statistical techniques, such as the calculation of the average, standard deviation, the variation coefficient, Spearman's correlation coefficient, and the straightforward linear regression coefficient. The findings from these methodologies produced an assortment of outcomes. The majority of these outcomes bolstered the notion that there's a tight-knit relationship between governance and quality. Considering the study's goals and its acknowledged traits, the scholars recommend companies enhance their understanding of governance in their local environments to enhance bank performance. The importance of this can't be overstated when it comes to the efficiency of banks.
Key words: governance, banking performance quality, openness, responsibility, involvement, inventiveness, contentment at work, and customer happiness.

Introduction

Recent advances in technology have led to increased economic transparency and the rise of the concept of governance. In the context of many financial crises and meltdowns, along with these rapid and profound developments, the concept of governance—the fundamental principle of banks—became essential. A financial institution's primary concerns include reducing the multitude of threats that it faces, minimizing the risk of an economic collapse, and ensuring that the management of the bank is able to improve its fiscal performance while securing market share. Thus, our research tackled the many discussions pertaining to the concept of governance inside financial organisations. As we've seen, it's tough for a lot of banks and other financial organisations to grow and prosper in the contemporary world. This is due to the fact that, in addition to wasting funds and personnel, power struggles within departments and a lack of clarity on responsibilities prohibit them from using contemporary or appropriate scientific administrative procedures. Financial service consumers are also dissatisfied with their mediocre banking experiences. While policies and practices may enable an institution to achieve a leadership position in banking, the implementation of a governance strategy might be the most effective approach. The objective of our study was to identify the type of governance that impacts the performance of banks.

According to our study's structure, the second topic, which is divided into two parts, delves into our theoretical investigation. On the other hand, the first topic outlines our research methodology in four distinct sections. Based on responses from our sample audience, the third topic tests the practicality and authenticity of the variables.

The research aims to further the ease of assessing the main conjecture through the measurement of correlation between the independent and dependent variables. By offering insights and refining our comprehension, our intention is that our investigation will bolster improvements in the realm of governance.

Research problem

The efficacy of banking systems plays a crucial role in shaping the trajectories of economic expansion. A central concern identified within this exploration was that, at the time when researchers were interacting with the sample group within their context, it was clearly observed that the participants lacked awareness about the interconnections between governance structures and benchmarks of banking performance. As such, the primary objective of this

EISSN: 3005-3625, PISSN: 2790-2560, DOI: doi.org/10.58564/EASJ/4.3.2025.11

investigation is to elucidate how governance might impact the standards of banking performance at the Bank of Baghdad, by addressing the subsequent questions: -

1. To what degree have members of the sample under examination and administrative leadership embraced governance policies?

2. Does the sample under investigation comprehend the concept and all of its components in relation to the standard of banking performance?

3. Is the banking administration of the organisation under investigation adequately cognizant of the need of enhancing employee banking performance via the use of modern management strategies?

4. What type of connection is there between the study sample's banking performance standards and governance?

5. What governance practices can the Bank of Baghdad use to maintain moral standards and improve the institution's financial, institutional, and functional performance—all of which will eventually improve banking performance?

The importance of research

A. key component of the research is the topic's importance, making it one of the key topics that significantly affects the expansion of financial institutions.

B. The significance of this research is derived from the importance of its two variables: banking performance, which is shown by a sequence of actions to recognise, rectify, and reinforce shortcomings, and governance, which is responsible for supervising all banking activities and monitoring the bank's range of services.

C. It is envisaged that this research would establish a field devoted to improving and fortifying job performance by encouraging the implementation of governance concepts. C. The boundaries of the corporate governance culture as shown by the implementation of corporate governance among the different stakeholders in the sample.

D. It also highlights how important research is in the area under study, which includes the banking sector, which is essential to the expansion of the US economy.

Goals for the research

Several goals are being pursued by this research, the primary ones being:
A. Figuring out how better governance relates to the bank's and the survey sample's performance efficiency.

EISSN: 3005-3625, PISSN: 2790-2560, DOI: doi.org/10.58564/EASJ/4.3.2025.11

B. Keep working on developing a theoretical framework that takes into account the characteristics and facets of governance in addition to the performance of banks.

C. Using three dimensions to assess the governance variable's reality and applicability within the research sample.

D. Using the three features of the research sample to identify the relevance and veracity of the banking performance quality.

E. Delving into the responses from our selected respondents, our aim is to discern the type of correlation existing between the factor of governance and the metric of banking performance quality.

F. Putting together a list of recommendations and findings that would deepen knowledge in the field of research.
Hypotheses

The scientists started with the following three supplementary hypotheses in addition to their main hypothesis:
The main presumption is that the performance quality metric is positively and statistically significantly impacted by governance, which includes the elements of accountability, openness, and participation. Consequently, the following three sub-hypotheses may be deduced:
The first sub-hypothesis is that the governance attributes of accountability, participation, and transparency have a statistically significant and meaningful influence on the creative component.
The secondary proposition implies a significant and measurable correlation between the three facets of governance - clarity, responsibility, and involvement - and the element of job fulfillment.

The third sub-hypothesis posits that governance, encompassing elements of engagement, accountability, and transparency, has a measurable and significant influence on the aspect of consumer satisfaction.

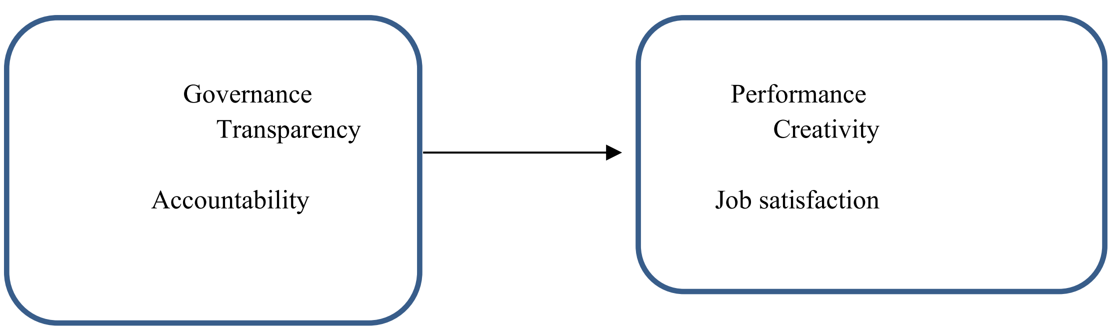

Figure 1: Diagram of research hypotheses

EISSN: 3005-3625, PISSN: 2790-2560, DOI: doi.org/10.58564/EASJ/4.3.2025.11

Methods for obtaining data and information

The following methods have been used to collect the data required to meet the objectives of the study and provide the intended outcomes:

A. The research used books, theses, doctoral dissertations, and other Arab and international materials that addressed the question of inquiry in the theoretical field of studies.

B. Field visits were made to the bank, its main branch, and many additional branches in addition to numerous in-person interviews with managers, department heads, and board of directors members.

C. The questionnaire, which was developed to support the purposes and hypotheses of the research, served as the main tool for data collection. Most of the questionnaire's paragraphs allowed participants to answer on a five-point Likert scale.

The 24 paragraphs that comprise the various scales for evaluating the research variables are divided into two parts. The first section's paragraphs 1 through 12 assess governance on the scale. The main emphasis of sections 13 to 24 in the latter part pertains to the evaluation of banking efficiency on a grading system.

Statistical methods used statistical methods to evaluate data on research variables and test theories. In addition to descriptive statistics, the researchers used other statistical techniques, such as standard deviation, coefficient of variation, and specific regression analysis, to verify the study hypotheses. These techniques included measurements of dispersion, tests of the normal distribution of dimensions, multiple linear regression equations for hypothesis testing, evaluations of central tendency indicated by the arithmetic mean, and Pearson correlation coefficients.

Descriptive examination of the community chosen during the survey

Thirty employees from the main bank and its thirty-six branches made up the research sample. An easy random selection procedure was used to pick the participants. The significant characteristics of the research sample are shown in Table 1 below:

EISSN: 3005-3625, PISSN: 2790-2560, DOI: doi.org/10.58564/EASJ/4.3.2025.11

Table 1

Gender			Education			Age			Years of service		
Males	26	37%	Master Degree	2	3%	Younger than 30 years old	9	13%	Less than 5 years	14	20%
Females	44	63%	High diploma	5	7%	From 30 to 40 years old	33	47%	From 6 to 15 yeas	37	53%
			Bachelor degree	63	90%	Older than 40 years old	28	40%	From 16 to 20 years	16	23%
									More than 20 years	3	4%

Source: Produced by the investigators using the survey results from the representative individuals.

A. With 63% of the sample being female, a qualitative indicator shows that there were more women than men in the population under investigation. Due to the labor-intensive nature of their profession, the sample members must demonstrate extraordinary endurance and performance—qualities that, in most cases, characterise the female category in the absence of males, especially in modern Arab nations.

B. The majority of those surveyed held university degrees, with 90% of the sample holding a bachelor's degree. This implies that managing the bank's branch offices and overall operations falls predominantly within the purview of degree holders.

C. The age range of the sample's respondents is mostly between thirty and forty (47%) years old. This is an excellent predictor since the sample members are young people with plenty of opportunity to work in leadership positions for their company.

D. It is clear from the chart that most of the sample in question has been employed there for more than six years. This might thus be reflected in the sample members' greater satisfaction with the questionnaire's paragraph-by-paragraph responses, assisting the researchers in achieving their study goals.

Theories

First: Governance

1. The notion of government

Governance is a multifaceted concept that covers a broad array of issues related to organization, economy, finance, and society. This means that no one-size-fits-all definition exists that can satisfy everyone involved in accounting, management, or economics (Darwish, 19: 2007). Consequently, the interpretation of this term evolves and modifies to

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cater to diverse academic perspectives. Some advocates insist that a corporation's primary responsibility lies in profit maximization for its shareholders. On the contrary, others believe that the corporation bears an obligation to protect the rights of all parties involved, even if it contradicts the shareholders' interests (Heenetigala, 2011: 150).

Furthermore, the Basel Committee characterizes governance as "an interaction system involving shareholders, stakeholders, and management that aids the organization in achieving its objectives. It assists in establishing authority and providing the necessary stipulations to accomplish goals and supervise the organization" (Basel 1). From another viewpoint, governance is seen as the principal tool used by management to deploy policies and directives to guard shareholder interests (Cadbury, 1992, page 14).

Consequently, scholars infer that the principle of governance is embodied in a series of synchronized administrative actions. These actions delineate the characteristics of the connection between the key stakeholders within the corporation and its exterior surroundings. The objective of these endeavors is to promote fairness, openness, combat corruption, and enhance the institution's capacity to accomplish its extended strategic objectives more effectively. Simultaneously, it clarifies each participant's entitlements and obligations.

2. The Banking Governance Concept

In order to benefit people, organisations, and societies overall (Al-Jazi, 2009: 1) Even if some of them refer to banking organisations as such, the term "bank governance" is nevertheless linked to corporate governance (Al-Rubaie, Al-Radi, 2011: 12). Considering their interactions with different stakeholders, such as shareholders and depositors) (Shamali, 2017: 9). From a banking standpoint, governance refers to the way that management and the board of directors oversee the operations of the bank. This has an impact on determining the bank's goals, defending depositor rights, and upholding the rights of those who receive finance (Bo Raqaba, Gharbi, 2014, 113). When banks collapse, a disproportionately large number of people are impacted compared to other industries. This distinguishes them from other businesses. When Lehman Brothers, a bank and the fourth-largest investment firm in the US, filed for bankruptcy in 2008, it signalled the start of the global financial crisis (Al-Sisi, 2008: 281). The supervision that a financial institution's board of directors and senior management give determines that institution's governance in regard to the Basel Committee. This has an impact on the following duties that the bank performs:

A. Determining the goals of the bank.
B. Overseeing the bank's daily operations.
C. Managing the operations and transactions of a business in a smooth, secure way that aligns with all pertinent legal rules and protects the interests of depositors (Abdul Qadir, 2006: 7).

3. The Significance of Management

Al-Mashhadani (2011) observed that following the global financial crises and economic collapses, a number of capital owners and investors suffered due to mishandled paperwork, manipulated financial statements, a desire to maximise profits for the companies involved, and a disdain for rules governing professional conduct. This underlined the significance of government. Government is becoming more and more important. Due to their unique characteristics,

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banks are vulnerable to bankruptcy. The stability of other banks is also impacted, in addition to the people who are directly impacted, such as clients, depositors, and borrowers, because to the many relationships that these institutions have with one another. According to Shamali (2017), there are several benefits of governance for banking performance and money preservation, both of which improve financial stability and ultimately, economic stability. For the financial system's governance to function properly, a number of necessary components must exist and be reliable. These consist of (Hamani, 2016: 225).

A. Choosing a set of strategic objectives and values that every bank employee should be aware of.

B. Clearly outline the duties that staff members will do while working for the bank.

C. Making certain that the board of directors members are strong, conscious of their roles throughout the governance process, and unaffected by internal and external pressure.

D. Making sure there is enough oversight from higher management.

E. Use governance while preserving openness.

F. The function of authorities that oversee.

4. Justifications for banks adhering to bank governance

When the company's shortcomings became apparent, the most significant of which was (Al-Khuza'i, 2008: 23), the need for governance developed.

A. The primary factors contributing to authority concentration are insufficient organisational structures inside businesses and the insufficient knowledge, skills, and experience of managers.

B. The inability to deal with the core issues the business is confronting, the management role's restriction to formal, surface-level issues, and the dearth of effective management strategies in the oversight and administration of businesses.

C. Businesses are always competing with one another, and many of them would like to keep their flaws hidden, shun openness, and give a damn about following accounting rules.

D. An unbalanced emphasis on commercial freedom combined with an abhorrence of money, other financial affairs, and their implications for the finance system, as well as a predilection for macro concerns over local ones.

5. Banking Governance Principles

The Organisation (OECD) announced the most significant and well-known of these principles in 1999 (Abu Al-Ata', 2003: 47):

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A. Upholding the ownership privileges of stockholders.

B. Getting a fair reward for your investment.

C. Make certain that there is openness and transparency.

D. Validating the authority of the board of directors.

Second: The performance of banks

The breadth and volume of goods and services offered by the banking sector set it apart from other economic sectors. Because of this, banks are increasingly referred to be "multi-product institutions," and among the many internal and external innovations and developments that define their operations are new services, technology, and financing plans. In addition, assessing the performance of banking institutions is an essential part of the procedures that the bank has to adhere to in order to go on with business as usual and cope with enduring problems at the environmental level (new rivals, expanding financial markets, dealers, etc.).

1. Concept of performance

When an individual takes action, the underlying context is "an individual exhibiting a specific action to reach a defined objective." This target may encompass fulfilling a responsibility, orchestrating an initiative, or deciphering a problem. It could also allude to completing an assignment or executing a particular duty. (Al-Nasr, 2012: 65) Although performance may be approached in a variety of ways, it provides an accurate representation of organisational activity overall. Performance is used to convey the economic unit's resource and environmental interaction methods. It is a gauge of the ability of the economic unit to recognise and use its goodness. As a result, the process of evaluating performance focuses on what really counts. Nonetheless, disagreement persists on the precise definition of performance.

Researchers have examined and evaluated performance using a variety of approaches; nevertheless, some have given different interpretations of what performance means. Academics argue that performance essentially illustrates the manner in which a business entity allocates and utilizes its physical and human assets to achieve its goals. The characteristics of an organization and the resolutions made by its management are what constitute performance, often referred to as the role of metrics. Success in a business unit is often seen as a reflection of the objectives that the unit has set for itself. Performance, then, is the ongoing, comprehensive activity that quantifies an economic unit's success or failure in relation to the particular benchmarks it has established in accordance with its operational needs and long-term goals, as well as the unit's success and flexibility to its environment. Performance, sometimes referred to as the

EISSN: 3005-3625, PISSN: 2790-2560, DOI: doi.org/10.58564/EASJ/4.3.2025.11

real criteria, provides an accurate image of how the economic unit is operating. To fulfill the mandate of evaluating strategies, initiatives, financial plans, and every other element involved in the planning procedure, the economic division secures its vital standing at the outside environment's tier as opposed to the internal and tangible mission environments.

(Al-Douri, 2013: 10). Performance may be defined in a variety of ways. For example, some define financial success as maximising profits while maintaining optimal results. Reducing expenses and raising income throughout the medium and long years is the consistent route to wealth creation, performance stability, and overall performance (Febli, 2017: 65). It is a collection of methods and metrics used to evaluate the company's benefits and drawbacks, determine how well the organisation is achieving its objectives, evaluate any operations or research projects meant to ascertain the extent of the relationship between the company's available resources and its effective utilisation of them, and examine how it has evolved over time. The expected results of operations and activities have an effect on banking performance, either generally or specifically. However, it also considers the anticipated results of the bank's activities at a certain point in time, in compliance with specific guidelines and standards. This kind of performance is also known as strategic performance. If the outcome of a certain operation or set of related activities determines the performance, then the operational performance is declared. Commercial banks utilise a performance assessment approach that is based on many fundamental ideas. These are the following pillars (Al-Khafaji, 2013: 3).

A detailed description of the bank's goals in a variety of areas.

B. Give each region careful thought, considering how they will work together.
C. Figuring out what the administrative task's primary goal is.
D. Choosing suitable measures for performance assessment.
E. Creating an integrated information system from scratch.

Third Part: Applied Research

First: The variables' descriptive statistics

For the purpose of offering a numerical illustration of the variables under study in our research, we employed the use of average value, standard variation, and variation coefficient as tools of descriptive statistics. These tools served to outline the magnitude, importance, and illustrative examples of the variables under investigation. Additionally, by calculating the arithmetic mean for each section, we were able to identify the response level and determine the group to which each section belongs. From the response options, we created five categories using a five-year scale (5-1 = 4). The outcome is then divided by the total amount of categories (4/5 = 0.80) and added to the smallest scale. These figures represent the medians founded on the applied Likert five-point scale.

The scale includes five levels of reaction: low (1.81-2.6), moderate (2.61-3.40), high (3.41-4.20), very low (1-1.80), and extremely high (4.21-5). The ensuing sections present the results of the descriptive statistics for three aspects of the dependent variable (quality of performance) and three characteristics of the independent variable (governance).

1. Executive: This variable has all three qualities—openness, involvement, and accountability—incorporated. Following is the sequence of outcomes that were obtained from this variable's statistical description:

A: Transparency: findings of the transparency dimension's descriptive statistics. Of all the paragraphs, the second dimension paragraph had the lowest arithmetic mean (3.13) and standard deviation (0.87), supporting the bank's claim that openness is the main weapon in the fight against corruption. Consequently, it fell into the first Materiality and at a moderate reaction level, as shown by the coefficient of variation (28.). The third received paragraph addresses how the management of the bank regularly and consistently provides the information in its reports, making it the fourth and last Materiality in the sequence. Compared to the dimension's previous paragraphs, its arithmetic mean (3.36) and standard deviation (1.01) are larger. This resulted in a little response from the dispersion coefficient (32) in this passage. In this dimension, the following paragraphs fell into these two zones.

B: Accountability: Effective information systems are crucial for the bank's operations, backed by well-established control and professional conduct procedures. A closer look at the descriptive data related to accountability reveals a shift in the arithmetic mean (2.79) and the minimal standard deviation (.92) compared to the second paragraph. The initial passage posits that the bank's legal accountability measures become evident when put into action, and this was ranked fourth in terms of overall significance. This ranking is predicated on a reduction in the dispersion coefficient value to (33), exhibiting the highest level of responsiveness and topping the materiality rank. The passage with the maximum arithmetic mean (2.86) and the highest standard deviation (1.02) within this dimension also demonstrated the most considerable difference coefficient, escalating to (0.35) at a moderate response level. The results of subsequent paragraphs post-accountability showed variation depending on their reference point among these two..

C: The results derived from the statistical analysis of the participation aspect are discussed in this section (3). The statement that "Bank management conducts regular meetings and discussions with its staff to facilitate idea sharing" was the most impactful point in this aspect, boasting the highest average value (3.45) and the smallest standard deviation among all points. The value of the coefficient of variance (22) diminished due to its 0.76 value. This point became significantly influential after facing substantial scrutiny. On the contrary, the third point was found to be the least impactful in this dimension due to its largest standard deviation (1.007) and lowest average value (3.09) when compared with other points. The bank's management is putting its efforts towards establishing effective communication channels. This area is distinguished by two distinct boundaries.

D- Performance quality: This feature consists of three parts. The outcomes of the descriptive statistical analysis that was done for these aspects were as follows. A: Creativity: A statistical representation of the creative aspect may. The sample responses from the first paragraph and the statement "the bank management is interested in supporting new ideas and scientific innovations" are undoubtedly to blame for the lowest standard deviation (66) and highest arithmetic mean (3.47). The arithmetic mean of the fourth paragraph, which shows that the bank's management is in support of carrying on with the service using the current procedures, was 3.31, with a standard deviation of 1.02 and a coefficient of difference of 31. This suggests that the responses are more varied and there is less agreement over the topic of the paragraph. The substance was ranked fourth and there was little reaction. However, similar conclusions and patterns may be drawn from the statistical description findings for the following paragraphs in this dimension.

B: In the realm of job satisfaction, the analysis of statistical data reveals interesting results. The second paragraph of the dimension under scrutiny holds the record for the lowest average response value at its peak (3.70). This result diverges distinctly from the others within this dimension, with a standard variation of .63. Furthermore, it secures first place in terms of significance and exhibits a heightened level of response due to its dispersion coefficient (17.).

EISSN: 3005-3625, PISSN: 2790-2560, DOI: doi.org/10.58564/EASJ/4.3.2025.11

Contrastingly, the subsequent paragraphs within the same dimension have recorded the minimum mean value (3.29) along with a standard deviation of (.90). The results derived from these following sections fluctuated between these two established parameters. This variability can be attributed to their inherent inconsistencies and the efficacy of various statistical techniques used throughout the research. As we proceed to the fourth paragraph in this sequence, we observe a suggestion of a moderate response level. This indication is brought forth by the dimension's high degree of variation, represented by the coefficient value (27). This set of data points allows us to glean a comprehensive understanding of the job satisfaction landscape as per the statistics obtained from this particular study.
D: Contentment with Customers: overview of the descriptive statistics data for this dimension along with a standard deviation. The paragraph with the highest arithmetic mean (3.41) was the second one, which stresses the bank's continuous efforts to provide its customers greater service. The bank views service completion time—which has the biggest standard deviation (.93) and the lowest arithmetic mean (2.95)—as one of the quality characteristics it offers to clients in paragraph four. It is of first materiality and a high answer level since it also has the lowest coefficient of difference (.22) and lowest of those responses (.75). In this text, the variation coefficient, represented as 31., is a product of the detailed analysis of the other sections. These examinations have revealed a varying degree of responses, particularly when considering the restrictions that seem to moderately oscillate. This is most notable when the importance of the material is ranked in fourth and final place.

Prior to delving into an in-depth analysis of our study's hypotheses, which will be thoroughly discussed in the ensuing section, it is essential to first establish a correlation matrix. This matrix should accurately represent the interrelationships among the various dimensions of our variables, as presented in Table (1). The primary aim of this approach is to confirm that no excessively high values (surpassing a threshold of 0.7) are present within the dimensional correlations between the independent variables' dimensions.

EISSN: 3005-3625, PISSN: 2790-2560, DOI: doi.org/10.58564/EASJ/4.3.2025.11

Table 1: matrix of Correlation between the search variables' dimensions At the 2-tailed 0.01 significance level, there is a correlation.

Dimensions		Transparency	Accountability	Participation	Creativity	Job satisfaction	Customer satisfaction
Transparency	Pearson correlation coefficient	1	-0.159*	0.286*	.498**	0.279*	.486**
	significance		0.048	0.040	0.001	0.047	0.001
Accountability	Pearson correlation coefficient		1	.689**	.398**	.590**	.584**
	significance			0.000	0.008	0.000	0.000
Participation	Pearson correlation coefficient			1	.321*	.737**	.759**
	significance				0.033	0.000	0.000
Creativity	Pearson correlation coefficient				1	.560**	.624**
	significance					0.000	0.000
Job satisfaction	Pearson correlation coefficient					1	.494**
	significance						0.001
Customer satisfaction	Pearson correlation coefficient						1

Second, hypothesis testing

Before initiating any applications for hypothesis testing, it's crucial to determine if the data, derived from the study sample's responses to the multivariate regression model, adhere to a normal distribution. This step is necessary to ensure that the data is suitable for the model. The Kolmogorov-Smirnov test is utilized for this purpose, and Table (2) presents the regular distribution of the aspects explored in this research.

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Table 2: The test normal distribution findings for the dimensions of the study variables are shown in Table.

Test type and parameters \ Variables and dimensions	Kolmogorov-Smirnov		
	Statistical hypothesis testing	Significance	Test Significance
	Governance		
Transparency	0.101	.200*	Insignificant
Accountability	0.113	0.189	Insignificant
Participation	0.105	.200*	Insignificant
	Performance Quality		
Creativity	0.127	0.071	Insignificant
Job satisfaction	0.121	0.104	Insignificant
Customer satisfaction	0.110	.200*	Insignificant

The findings from the tests of the normal distribution, as illustrated in Table (2), demonstrate that the tests aren't

EISSN: 3005-3625, PISSN: 2790-2560, DOI: doi.org/10.58564/EASJ/4.3.2025.11

conclusive. This suggests that the data suits the model, characterized by multiple linear regression, and thus possesses the characteristics of a normal distribution throughout its dimensions. The transparency dimension's normal distribution properties are portrayed in Figure (1). The distributions of the remaining dimensions, derived from previous graphs, can be found in Appendix No. (1)

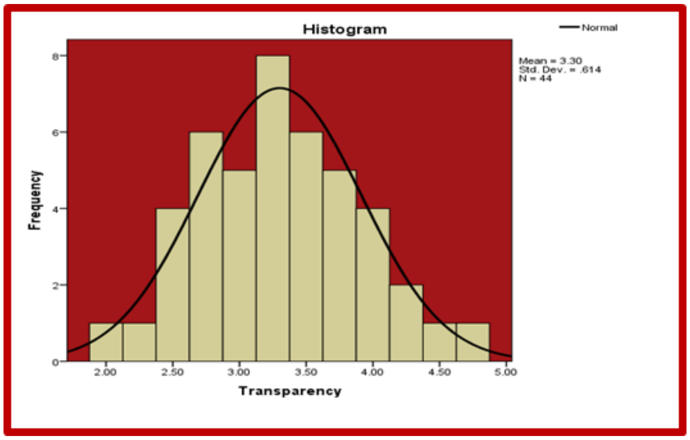

Figure 1: Data on the transparency dimension are distributed normally.

The information below relates to the multiple regression model's hypothesis testing, which supports the study's hypotheses and was discovered when examining the direct relationship between governance and performance quality:

Investigating the principal research supposition: The central notion is that "the aspects of the quality of performance are profoundly and statistically influenced by governance in its facets (transparency, accountability, and participation)." This main conjecture leads to the following three subsidiary suppositions:

The initial mini-theory proposes a demonstrable and significant relationship between the components of governance, namely openness, responsibility, and participation, and the creative factor. The second mini-theory postulates a meaningful link between job satisfaction elements and accountability, clarity, and involvement in governance. The third mini-theory affirms a notable connection between the governance component and its three sub-elements - involvement, responsibility, and clarity.

hypothesis tests

Table 3 reveals the outcomes of the initial hypothesis assessment, which investigated the correlation between the governance factors and the quality of performance at the innovation level, being the first aspect. The findings from this test validated that the three independent variables had a significant impact: accountability (β =.86, P<.05), participation (β = -..49, P<.05), and transparency (β =.78, P<.01). The test's overall model was found to be57, with an R2 value of% P <.01.

Table 3 presents the findings from the primary hypothesis's first sub-hypothesis test.

Statistical Indications\ Regression Paths (hypotheses)	Regression Parameter **β**	Statistical Parameter **T**	Significance Parameter **SIG.**	Coefficient of Determination **R^2**	Statistical Model Parameter **F**	Model significance **P**
Creativity→ Transparency	.78	6.613	.000	.57	17.669	.000
Creativity→ Accountability	.86	5.170	.000			
Creativity→ Participation	-.49	-2.878	.006			

Because creativity is one of the performance quality factors with the greatest statistical significance, acceptance of this proposition varied. It demonstrated how governance and performance quality relate to one another at the level of the first dimension, which is the creative dimension. These connections are shown in Figure (2), which is based on the output of the pre-made statistical programme (Amos).

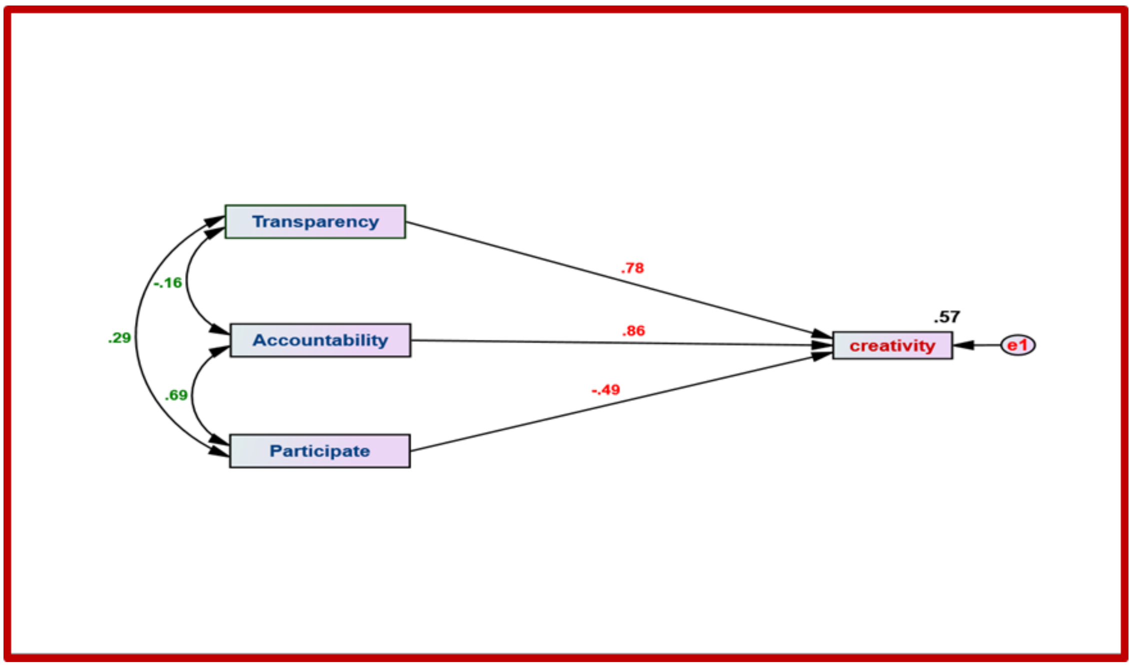

Figure 2: shows the paths of the relationships between the creative dimension and the governance variable's aspects.

Table 4 presents a detailed analysis of the outcomes from the testing of our second hypothesis, which explores the correlation between governance dimensions and the quality of performance, focusing specifically on the secondary element: job satisfaction. The trials for this assumption, unfortunately, didn't yield much noteworthy data post-transparency (β=.18, P>.05). The primary test model, P <.01 (58,%R2=), identified as highly statistically significant in terms of variations in job satisfaction, a key metric for evaluating performance quality. This suggests a potential for partial acceptance of the hypothesis. The latter portion of the hypothesis examined the relationship between

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governance and performance quality at the level of satisfaction. Moreover, these connections are represented in figure (3), in accordance with the results derived from the pre-existing statistical software (Amos).

Table 4: shows the outcomes of the main hypothesis's second sub-hypothesis test.

Statistical Indications\ Regression Paths (hypotheses)	Regression Parameter **β**	Statistical Parameter **T**	Significance Parameter **SIG.**	Coefficient of Determination **R^2**	Statistical Model Parameter **F**	Model significance **P**
Job satisfaction→ Transparency	.18	1.444	.150	.58	18.310	.000
Job satisfaction → Accountability	.28	2.679	.031			
Job satisfaction → Participation	.49	2.897	.006			

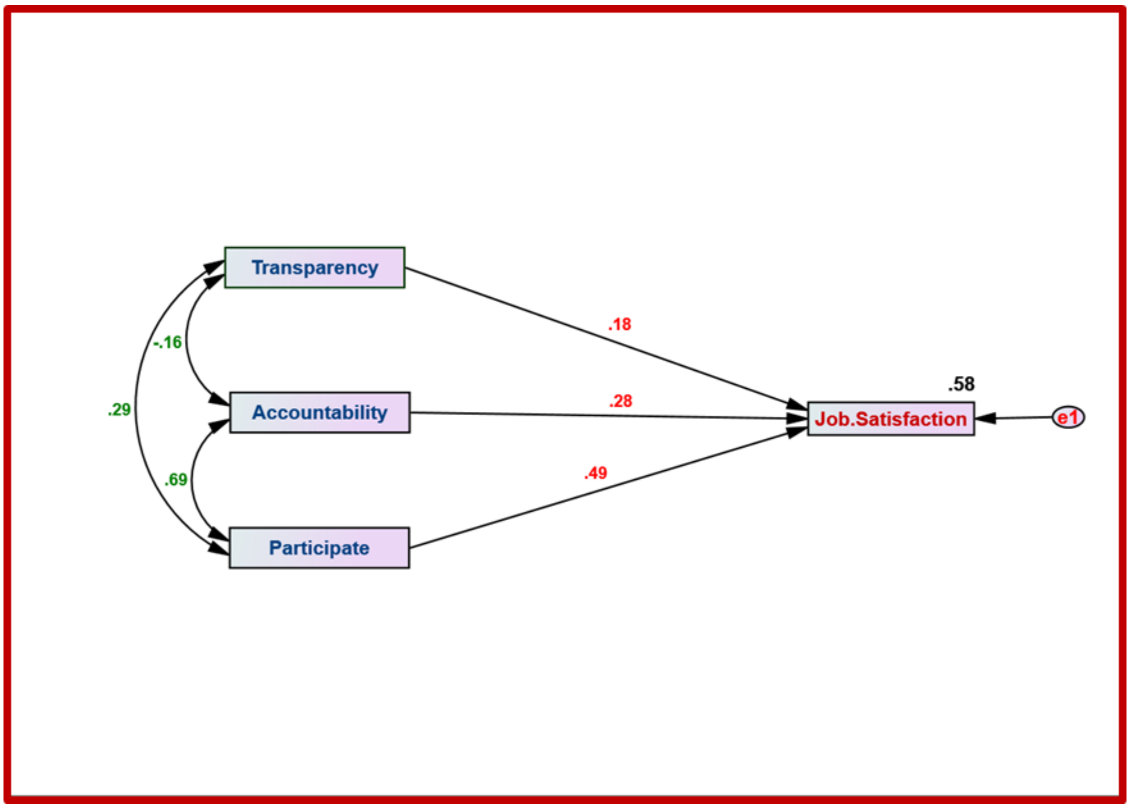

Figure 3 shows the paths of the relationships between the job satisfaction and governance variable dimensions.

The results of the third sub-hypothesis test are broken down in detail in Table 5, where it is confirmed that the three independent variable dimensions—participation (β =.175, P<.05), accountability (β =.43, P<.05), and transparency (β =.46, P<.01)—have significant effects. Furthermore, the whole test model explains the extremely statistically significant P <.01 (73,%R2=). Variations in satisfaction Acceptance of this theory also suggests a relationship between governance and performance quality at that level, as customer satisfaction serves as a proxy for the third performance

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quality component. These connections are shown in Figure (4), which is based on the results of the pre-made statistical process (Amos.).

Table 5 shows the outcomes of the main hypothesis's third sub-hypothesis test.

Statistical Indications\ Regression Paths (hypotheses)	Regression Parameter β	Statistical Parameter T	Significance Parameter SIG.	Coefficient of Determination R^2	Statistical Model Parameter F	Model significance P
Customer satisfaction→ Transparency	.46	4.569	.000	.73	35.299	.000
Customer satisfaction → Accountability	.43	3.223	.003			
Customer satisfaction → Participation	.33	2.423	.020			

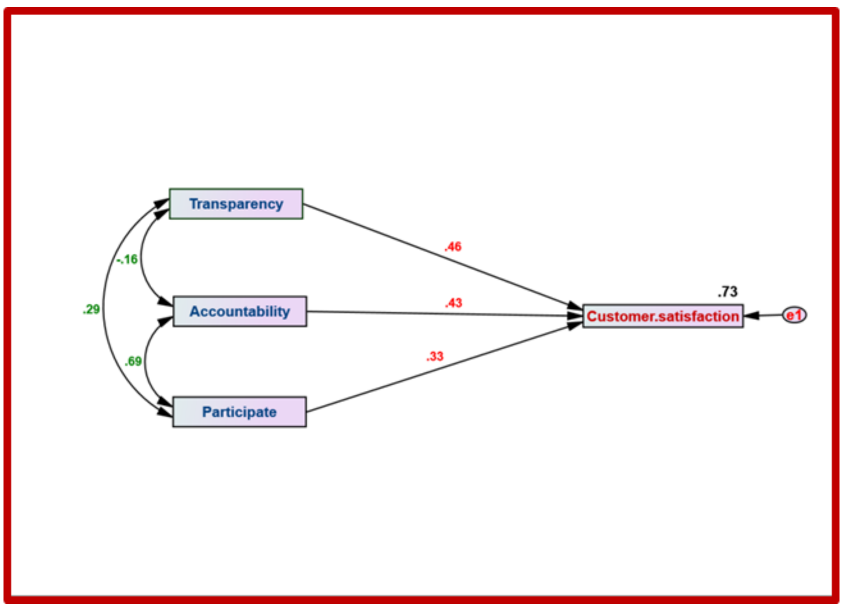

Figure 4: shows the paths of the relationships between the customer satisfaction and governance variable aspects.

Conclusions

Among the tactical choices, implementing governance application processes is seen to be crucial for banks to thrive and rank among the best.

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1.These protocols facilitate the development of distinctive organisational frameworks that uphold fundamental legal and regulatory frameworks while exhibiting qualities such as transparency, inclusive communication, and task accomplishment.

2. Owing to the governance frameworks they have put in place, banks are able to provide excellent services while upholding moral standards and ethical conduct.
3. The bank prioritises openness in its relationships with workers and beneficiaries, giving all parties relevant information, and it does this by keeping open lines of communication within its own organisational structure.

4. The aforementioned bank allows its employees to speak freely at meetings and other events, but it limits their input on the creation of decisions and policies.

5. The sample's opinions on innovation at the bank exhibit a moderate level of congruence, indicating that management of the bank is unsure about its position.

6. The employees' job satisfaction was poor and biassed in favour of the bank's incentive and reward programme.

7. In order to please its customers, the bank's management is driven to look for methods to improve the calibre of services it provides and the way transactions are handled.

8. The creative component is significantly impacted by the governance aspects, suggesting that each of the three governance facets raises the level of creativity.

9. The involvement and accountability aspects positively impact the job satisfaction component when the transparency dimension is absent.

10. It was shown that the three governance factors working together improved the customer satisfaction component.

Recommendations

The bank must devote resources to examining the relationship between performance quality and governance-related research components.

1.This will improve the provision of services and guarantee that the calibre meets the needs and expectations of the clientele. By doing this, consistency and quality will be guaranteed.
2. The complementarity of the performance quality dimensions (job satisfaction, customer satisfaction, and transparency) and the governance dimensions (transparency, accountability, and participation); some of these dimensions require a relationship between the other dimensions and the scope and nature of their application.
3. The bank's management must recognise how crucial it is to uphold the principle of transparency in the course of performing its responsibilities. This is due to the fact that it is its duty to keep an eye on information flow and business realities, which, while beneficial, also make it possible for contact and communication with beneficiaries at all administrative levels.
4. The bank's management has to understand how crucial it is to include staff members and clients in the decision-making process when creating new policies in order to improve performance.

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5. The management of the bank must carefully evaluate fresh ideas and suggestions in order to recognise the value of promoting scientific discoveries and a creative culture. This will enable them to embrace new techniques and strategies while carrying out the tasks that have been assigned to them in order to provide their clients the best services possible.
6. Looking at methods to strengthen the bank's governance culture, since standardised governance rules facilitate the development of adaptable, transparent organisational structures that guarantee improved performance.

Funding

None

Acknowledgement

None

Conflicts of Interest

The author declares no conflict of interest.

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