



Measuring banking performance using the balanced scorecard (Applied research on the National Bank of Iraq)

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Abstract

The Research Aims To Measure The Banking Performance By Means Of A Balanced Scorecard Applied To The Al-Ahly Bank Of Iraq , The Researchers Applied The Current Research To A Private Commercial Bank, Which Is Al-Ahli Iraqi Bank, And For The Period (2004-2024), They Applied A Special Measure That The Researchers Adopted And Designed Based On A Number Of Studies. Research plays an important role in an important economic sector - the banking sector - which acts as an important artery in the economy. This importance comes from the necessary role in financial mediation, and provides savings and provides credit to different fields and organizations. Research also addresses the challenge of a real world: The need for banks to develop new mechanisms and methods for measuring banking performance. In addition, it gives them the right to remain competitive in the region and achieve high level of performance. By Applying The Balanced Scorecard, It Was Revealed That The National Bank Achieved An Unacceptable Level At The Aggregate Level Of The Card And The Financial And Growth In Banking Performance And acceptable performance in customer, internal operations, learning and growth and financial for some years.

The Need For Banks To Use The Balanced Performance Card As A Tool For Measuring And Evaluating Banking Performance, Which Leads To Improving Services Provided To Customers, And Thus Improving Traditional And Modern Performance Measures Leading To The Result In Achieving High Banking Performance, Which Is Represented In The Banks Achieving Their Goals And Their Long-Term Goals.

The Research Came To Fill A Knowledge Gap Represented By The Scarcity Of Local And Arab Studies That Dealt With The Impact Between Research Variables In One Hypothetical Model, And The Importance Of This Relationship In Achieving Excellence And Excellence For The Research Sample Bank

Keywords: (*Banking Performance, Balanced Performance Card, National Commercial Bank.*)



قياس الأداء المصرفي باستخدام بطاقة الأداء المتوازن (بحث تطبيقي على المصرف الأهلي العراقي)

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المستخلص

يهدف البحث الى قياس الأداء المصرفي بواسطة بطاقة الاداء المتوازن من خلال محاوره الأربعة بالتطبيق على مصرف الاهلي العراقي , قام الباحث بتطبيق البحث الحالي على مصرف تجاري خاص الا وهو مصرف الاهلي العراقي و للمدة من (2004-2024) ، بتطبيق مقياس خاص اعتمده الباحث و صممه بالاعتماد على عدد من الدراسات.

تتمثل أهمية البحث في انها مطبقة في قطاع اقتصادي مهم الا وهو قطاع المصارف , اذ يعد شريان الاقتصاد النابض لماله من دور فعال في الوساطة المالية وتعبئة المدخرات ومنح الائتمان الى مختلف القطاعات والمنظمات، ومعالجة مشكلة واقعية تتمثل في بحث المصارف عن اليات و اساليب جديدة لقياس الاداء المصرفي , و كذلك تمكنها من مواجهة المنافسة ضمن هذا القطاع وتحقيق الاداء العالي.

من خلال تطبيق بطاقة الاداء المتوازن تبين ان المصرف الاهلي حقق مستوى غير مقبول على مستوى الكلي للبطاقة و محور المالي في الاداء المصرفي ، و اداء مقبولا في الزبائني و العمليات الداخلية والتعلم والنمو والمالي لبعض السنوات.

ضرورة ان تقوم المصارف باستعمال بطاقة الاداء المتوازن كأداة لقياس و تقويم الاداء المصرفي ، الامر الذي يؤدي الى تحسين الخدمات المقدمة الى الزبائن, و بالتالي تحسين مقاييس الاداء التقليدية والحديثة مما تؤدي بالنتيجة الى تحقيق الأداء المصرفي العالي, الذي يتمثل في تحقيق المصارف أهدافها وغاياتها على المدى الطويل.

جاء البحث ليسد فجوة معرفية تمثلت بندرة الدراسات المحلية و العربية التي تناولت التأثير , بين متغيرات البحث في انموذج فرضي واحد، واهمية هذه العلاقة في تحقيق التميز والتفوق للمصرف عينة البحث.

الكلمات المفتاحية: (الأداء المصرفي، بطاقة الأداء المتوازن، البنك التجاري الوطني).



1- The first axis: Research methodology

1-1 Research problem

A decentralized one from a centralized model involves a change in liberalization from isolation and stiffness in the change of Iraq's economic system. This includes liberalization of interest rates, expansion of bank credit, and allows banks to participate in credit activities, which they cannot be prepared sufficiently, especially given competitive pressure from a new banking environment. These changes require the development of modern equipment and methods for measuring bank results, enabling banks to maintain their market share and financial position as long as possible. The current research problem can be disseminated by the following main question: To what extent are the requirements for balanced target cards available in the bank?

1-2 The importance of the research

- 1.To provide a theoretical structure to the research subject for banking performance.
- 2.To overcome the lack of quantitative studies on banking performance, especially in the context of Iraqi banks, using four-peripheral target cards.
- 3.To present a set of conclusions and recommendations for bank management to consider measuring performance and planning for future operations.

1-3 Research objectives

- 1- Develop a scale to measure bank performance using a balanced scorecard approach
- 2- Identify the level of bank performance measured with a balanced target card in the bank



1-4 Research hypotheses

The current research contains one main hypothesis, which states that “the National Bank of Iraq does not have the components for applying the balanced scorecard.”

1-5 Research criteria

The researcher depends on both Arab and international studies to produce a balanced target card containing four perspectives. Each perspective and stresses prescribed for sources used are presented in Figure (1). Developed target cards are detailed in Table (2), (3), (4), (5), and (6). An eleven-Binde similar scale (from 0 to 10) was used during the study period to assess indicators of a balanced scorecard approach, as shown in the respective tables. While most previous studies used three or five-point parameters, it is better to use a wider scale when working with large samples, as it produces more accurate and fine results.(Abofaied,2017:11) • (Rostami,el at,2015:8) , (Zaghloul, 31:2010), (Star, 91:2014), (Jawad, 2009:25).

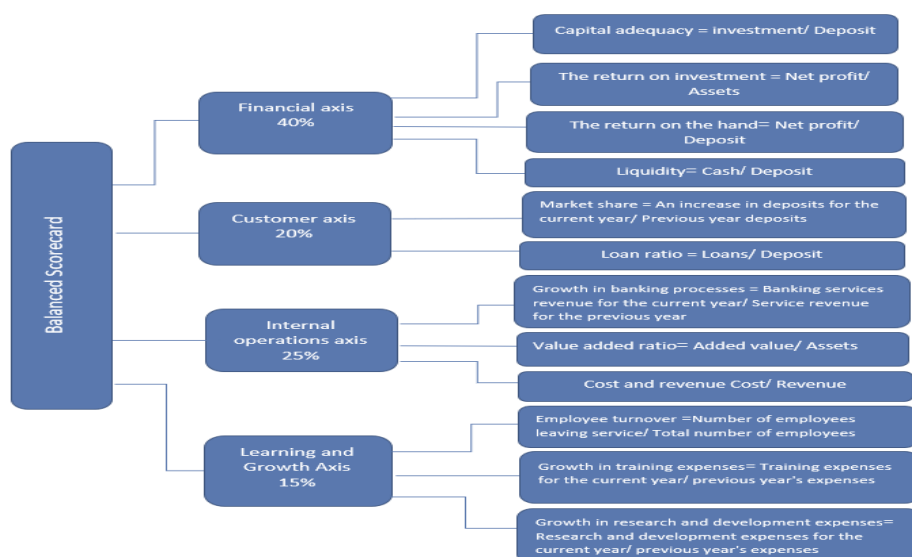


Figure (1) Balanced Scorecard measures and its axes ratios
Reference: Prepared by the researcher



1-6 Research population and selection

In order to meet the requirements of the aspect of this research used and to achieve its goals, it was necessary to choose a research population that matches the goals and ambitions of the study. After conducting first research, consultation with experts and researchers, and after testing various alternatives, private commercial banks were chosen as the research population. A targeted test was then chosen, consisting of an Iraqi private commercial bank, which was considered suitable for the current study. The details of the selected sample are presented in the table (1).

1-7 Research population and selection

Each study or research project works within a defined scope, and determining the clear boundaries of the research direction is an essential step in the research process. Consequently, the stages of this research are implied within specific temporary and spatial boundaries, as mentioned below:

1. These are depicted by the annual reports from the selected research committee, which covers the period from 2004 to 2024.
2. Spacious limits: These are represented by the Iraqi private commercial bank selected for the study - the National Bank of IRAQ - as described in the table (2) below.

Table (1) An overview of the research sample bank

T	Bank name	Date of establishment	Authorized capital (billion dinars)	Number of branches	Number of employees
1	Al-Ahly of Iraq	1995	400	32	1276

Reference: Central Bank of Iraq Statistical Bulletin 2024



2- The second axis: the theoretical aspect

2-1 The concept of performance

In order to achieve excellent performance, both private and public organizations must implement a long -term strategy. This strategy involves translating the goals and plans installed into specific, average results. A result management strategy allows managers to effectively evaluate, monitor and refine the implementation process. One of the primary goals of empirical research in operational management is to identify main elements that contribute to strong organizational performance. (Gelderman et al, 2016: 2).

In order for organizations to achieve better performance, they should have a competitive advantage and maintain their customers. It is also important for organizations to be innovative to meet the changing needs of their customers, which increases their financial position. Therefore, it is necessary to develop sound strategies to maintain a strong economic position. (Al -brahmin, 2017: 36).

The following are many definitions of performance offered by different scholars and researchers.

1- It is an important tool for increasing competition for an organization in the market. It acts as a compass, which guides the desired improvements in the operation of the organization and the overall goals. It is completed by assessing real performance indicators and comparing them with targeted indicators for a specific period. (Yang et al., 2018, 13)

2- The desired goals are the goals that all organizations try to achieve using the content, human and financial resources. (Talib, 2018: 49)



3- It acts as a mirror that portrays the organization's activities and achievements. This represents the results of the organization's overall efforts and indicates the level of performance and the extent to which resources are used effectively. It also shows the organization's ability to fulfill its mission. (Maka & Suresh, 2018: 6)

2-2 The emergence of the balanced scorecard

Balanced Scorecard (BSC) is considered one of the most used performance management systems. After important discussions on contemporary management accounting practice in many articles during the 1980s, BSC was developed as a response to these concerns. After one year of studies involving 12 organizations in Canada and the United States, Dr. Robert Kaplan and Dr. from Harvard Business School. It was officially introduced in North America by David Norton in 1992.

Originally, BSC was designed as a performance measurement system that evaluates organizational benefits from many approaches - unlike traditional systems that were mainly focused on economic matrix. These approaches include:

financial perspective

Customer perspective

The process of internal business is perspective

Perspective on learning and development (Voyant et al, 2017: 216)

According to (McManamara), Parker was the first to propose a balanced approach between economic and non-economic measures in the evaluation of organizational results. However, he provided very little guidance on how to translate his approach to practical, actionable equipment. It was the



couple and Norton who later completed this approach through the development of a balanced target card (BSC). (John et al, 2016:78)

2-3 The concept of the balanced scorecard

The concept of a balanced target card (BSC) is based on the notion that competitive advantage is not only derived from concrete, quantitative assets-it is related to the effective use of absolutely solid capital-also from abstract and non-physical assets such as intellectual property, employees' knowledge, customer relationship and customer satisfaction. These abstract factors can be measured and controlled, and they have become an important source of competitive benefits and long -term financial success in the information age.

The development of BSC and related concepts have clearly been influenced by many trends, including increasing importance of digital data and information technologies, new challenges with organizational learning and transition of industries. To better address and incorporate the abstract property, the BSC was designed to integrate both economically and non-economic, as well as quantitative and qualitative, information-a main feature of the ideological structure. (Oyewobi et al., 2015: 109)

As one of the most important modern instruments for measuring and evaluating performance, Balanced Scorecard (BSC) has attracted significant attention from scholars and researchers since its establishment. There have been many events, additions and modifications, roughly because of the diversity of definitions and interpretations achieved over time. However, the most accepted and official definition is given by its original creators, couples and Norton. (Komaryati et al, 2017: 23)



The following are many definitions and approaches on a balanced target card presented by different scholars and researchers:

1- It is a management system designed to help organizations translate their vision and initiatives to a set of interconnected strategic goals and performance goals. Economic reports are no longer the only means that organizations evaluate their activities and determine their future directions. (Kaplan & Norton, 1992:71)

2- It is a performance management tool that allows organizations to translate their vision and strategy into a solid set of average performance indicators. (YAHAYA, 2009:19)

3- It is a tool for translating the mission and strategy into an outfit into a wide set of performance measures, which provides a structured structure for both performance assessment and management. (Musa and Al-Farra, 2018:40)

2- 4 The importance of the balanced scorecard

The meaning of balanced target cards can be highlighted through the following main points: (2017: 262, Asgari & Darestani) (Gomes & Romão, 2018: 187).

1. Adjust the organization's long -term goals with its strategies and adjust the medium and short goals with current operating plans.
2. To contribute to a strategic management method that ensures that the organization's goals remained central to discussion during the decision -making process on major strategic issues.
3. Install a clear link between organizational goals and performance goals.
4. To effectively measure performance and support the successful implementation of the organization's strategy.



5. Through four approaches of a balanced target card, an organization can monitor its financial results by promoting and constructing abilities in non-economic fields.
6. Clarifying and translating the organization's vision and strategy.
7. Planning, setting goals, and prioritizing strategic initiatives.
8. To evaluate the display by identifying the deficiencies that occur during implementation and develop an appropriate solution to address them.
9. To serve as a communication tool that explains the strategy for all employees in the organization, rather than acting as a recurring tool for performance measurements.
10. In order to encourage social interaction between managers and employees through consultation, meaningful expression and exchange of suggestions.

2-5 Benefits of using the balanced scorecard in banks

Balanced Scorecard (BSC) is a widely used tool used by several banks to evaluate their results in different operations and strategic fields. This not only provides valuable insight to leaders to improve internal performance, but also tries to assess the general health and stability of banking for investors.

The main benefits of using BSC in the banking sector include: (Agyeman et al, 2017: 204)

1. This can serve as a framework for evaluating and limiting the bank's strategy.
2. It can be used to develop strategic purposes and performance goals that make the bank's strategy into action -rich stages.



3. This provides a method for measuring and monitoring the performance of large programs that support successful implementation of the bank's strategy.

4. It is an effective tool to ensure that the bank continuously improves the system and internal processes.

2-6 Steps to create and implement the balanced scorecard

Kaplan and Norton organizations recommend the following steps to create and use balanced target cards: (Kaplan & Norton, 2006:241)

1. Conduct a general analysis of the organization.
2. Identify strategic themes.
3. Define strategic perspectives and objectives.
4. Develop a strategy map.
5. Measure leadership performance.
6. Refine and prioritize strategic initiatives.
7. Automate activities and communication.
8. Implement the card results across all aspects of the organization.
9. Collect, evaluate, and review data.

2-7 Balanced Scorecard Axes

Financial axis: This perspective focuses on financial measures that reflect the financial results of the organization's functions. This emphasizes indicators related to profitability, where shareholders assess the return on the investment. Therefore, in this perspective, leaders are responsible for installing the right matrix to ensure financial success.

Kaplan and Norton recognize the continuous importance of traditional accounts. Accurate and timely financial reporting is necessary to guide the



organization effectively and efficiently. Distributing this data to the right person at the right time supports significantly to make informed decisions. Common performance measures are included in this perspective: (Abofaied, 2017: 5).

- ☐ **Capital adequacy**
- ☐ **Return on investment**
- ☐ **Return on deposits**
- ☐ **Liquidity.**

Customer axis: This perspective shows how customers see the organization. Customer perspective should be regarded as a key element of the general business strategy, as it captures the relationship between quality, prices and the image of the organization in the customers' eyes.

From this point of view, the organization should demonstrate how it differs from the participants by building, maintaining and strengthening the relationship with the target customers. This includes both attracting new customers and maintaining existing people. Therefore, managers should apply suitable procedures to ensure that the organization continuously distributes value and meets customers' expectations.

Large display indicators usually involve this perspective includes: (Moneim et al, 2017: 153).

- ☐ **Market share**
- ☐ **Loan-to-deposit ratio**

Internal operations axis: This perspective gives the organization the effects that the expectations of performance can be met. It focuses on internal business processes that run both customer satisfaction and financial



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success. Therefore, leaders are expected to identify internal processes and adapt them that the organization must stand out to meet the needs of both customers and shareholders.

The central focus of this perspective is on the efficiency and efficiency of internal operations that directly help to achieve strategic goals. Result measures under this perspective usually consider that the organization produces its goods and services, and emphasizes the quality of the process, cost control and operating speed.

This perspective includes frequently used large performance indicators: (Jahantigh et al, 2018: 227).

- ☐ **Growth in banking operations revenue**
- ☐ **Value added ratio**
- ☐ **Cost-to-revenue ratio**

Learning and Growth Axis: In this perspective, leaders should identify the necessary tasks to identify how the organization will maintain its ability to change and continuous improvement. This perspective mainly focuses on organizational employees and measures that the organization invests in giving them opportunities to learn, grow and develop professionally.

The goals of learning and development are often the most challenging to define. Therefore, organizations should identify and promote the abilities that employees need to innovate in the long term, adapt and improve. It is necessary to build these abilities to ensure future success and strategic flexibility.

This perspective includes frequently used large performance indicators: (Paturusi & Sumarwan, 2018: 52).



- ☐ **Employee turnover**
- ☐ **Growth in training expenses**
- ☐ **Growth in research and development expenses**

The explanation of the four approaches to the balanced target card is stated that there is a cause-and-effect relationship between non-economic approach (customer, internal processes and learning and development) and economic perspective. Measures related to non-economic sectors can often serve as predictions of the organization's future financial results. Therefore, all four approaches to a balanced target card are important, which contributes to the general strategic performance of each organization in a unique and necessary way. (Atarere & Oroka, 2014: 285).

3- The third axis: the practical aspect

3-1 Building a banking performance measure using the balanced scorecard

Research Sample Assessment of Bank Bank results using a balanced target card

The banking performance of the Research Committee Bank was evaluated using a balanced scorecard framework, based on four main approaches: Financial, customer, internal operation and learning and development. The researcher assigned a total of 100% weight to the target card, distributed between four approaches:) (Financial: 40% Customer: 20% Internal business: 25% Learning and Development: 15%)

Based on the distribution above, the Bank's performance was evaluated by calculating the score for each perspective by using data retrieved from the bank's accounts. The results of this evaluation are presented below.



Building a banking performance scale based on the financial axis: The researcher adopted the balanced target card shown below for the financial perspective of banks chosen for the construction of the research scale. The weight of 40% was assigned the financial perspective, which consists of four main indicators: Capital adequacy: 10% Return on deposit: 10% Return on investment: 10% :Liquidity: 10%

Points were awarded based on the actual levels of performance obtained by the banks involved in the Research Committee. These levels of performance served as the basis for the construction of the evaluation scale.

Table (2) Distribution of grades for the financial axis in relation to its indicators

Capital Adequacy Ratio%	degree	Return on Deposits (ROD) %	degree	ROI%	degree	Liquidity ratio%	degree
0----1-	0	0----1-	0	0----1-	0	0----1-	0
5-1	1	2-1	1	3-1	1	15-1	1
10-6	2	4-3	2	6-4	2	30-16	2
15-11	3	6-5	3	9-7	3	45-31	3
20-16	4	8-7	4	12-10	4	60-46	4
25-21	5	10-9	5	15-13	5	75-61	5
30-26	6	12-11	6	18-16	6	90-76	6
35-31	7	14-13	7	21-19	7	105-91	7
40-36	8	16-15	8	24-22	8	120-106	8
45-41	9	18-17	9	27-25	9	135-121	9
- and 46 more	10	- and 19 more	10	-and 28 more	10	- and 136 more	10

Reference: Prepared by the researcher based on bank data.

In the table above, the categories were defined based on the data from banks used for the construction of research scale. The researcher identified the



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highest value among the banks and assigned it a score of 10, while the lowest price was awarded a score of 0. The remaining values were divided into 10 equal intervals, according to the structure of an eleven-point similar scale (0 to 10).

Building a banking performance scale based on the customer axis: The researcher adopted the balanced target card shown below for customer perspective of banks selected for the construction of the research scale. The weight of 20% was awarded in this perspective, including two major performance indicators:

Market share: 10%:Loans and deposits: 10%

The points were distributed based on the actual performance levels obtained by banks used to develop the research scale, as described below.

Table (3) Distribution of scores for the customer axis in relation to its indicators

Market Share %	degree	Loans and Deposits %	degree
0----1-	0	0----1-	0
20-1	1	10-1	1
40-21	2	20-11	2
60-41	3	30-21	3
80-61	4	40-31	4
100-81	5	50-41	5
120-101	6	60-51	6
140-121	7	70-61	7
160-141	8	80-71	8
180-161	9	91-81	9
- and more181	10	- and more91	10

Reference: Prepared by the researcher based on bank data.

In the table above, categories were established based on the results data of banks used for the construction of the research scale. The researcher identified the highest value and assigned it a score of 10, while the lowest



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price received a score of 0. The remaining values were then divided into 10 equal intervals, corresponding to the structure of an eleven -point liquid scale (0 to 10).

Building a banking performance scale based on the internal operations axis: The researcher adopted the balanced target card shown below for the internal operational perspective of banks chosen for the construction of the research scale. The total weight of 25% was assigned this perspective, including the following three main indicators: Increase in the bank's business: 8.33%: Added Price: 8.33%: Cost and income rate: 8.33%

The score was distributed based on the actual performance levels obtained by banks used in the construction of the research scale, as mentioned below.

Table (4) Distribution of grades for the internal operations axis in relation to its indicators

Growth in banking operations revenues%	degree	Value Added %	degree	Cost-Revenue Ratio %	degree
0----1-	0	0----1-	0	0----1-	0
30-1	0.833	2-1	0.833	10-1	0.833
60-31	1.666	4-3	1.666	20-11	1.666
90-61	2.499	6-5	2.499	30-21	2.499
120-91	3.332	8-7	3.332	40-31	3.332
150-121	4.165	10-9	4.165	50-41	4.165
180-151	4.998	12-11	4.998	60-51	4.998
210-181	5.831	14-13	5.831	70-61	5.831
240-211	6.664	16-15	6.664	80-71	6.664
270-241	7.497	18-17	7.497	90-81	7.497
- and more271	8.33	- and more19	8.33	- and more91	8.33

Reference: Prepared by the researcher based on bank data.



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In the table above, categories were determined based on the results data of banks used for the construction of research scale. The researcher identified the highest value and assigned it a score of 8.33, and the lowest value, it allocated a score of 0. The middle values were then divided into 10 equal intervals, corresponding to the structure of an eleven-point like-minded scale (from 0 to 8.33).

Building a banking performance scale based on the learning and growth axis:

The researcher adopted the balanced goal card shown below for learning and the development of banks chosen for the construction of the research scale. A total weight of 15% was awarded in this perspective, including the following three main indicators: Employee sales: 5%: Increase in training costs: 5%: Increase in research and development expenses: 5%

The score was distributed based on the actual performance received by banks used in the construction of the research scale, as described below.

Table (5) Distribution of scores for the learning and growth axis in relation to its indicators

Employee turnover %	degree	Training Expenses Scale %	degree	Research and Development Expenditures %	degree
0----1-	0	0----1-	0	0----1-	0
3-1	0.5	30-1	0.5	3-1	0.5
6-4	1	60-31	1	6-4	1
9-7	1.5	90-61	1.5	9-7	1.5
12-10	2	120-91	2	12-10	2
15-13	2.5	150-121	2.5	15-13	2.5
18-16	3	180-151	3	18-16	3
21-19	3.5	210-181	3.5	21-19	3.5
24-22	4	240-211	4	24-22	4
27-25	4.5	270-241	4.5	27-25	4.5
- and more28	5	- and more271	5	- and more28	5

Reference: Prepared by the researcher based on bank data.



The table above was classified based on the results data of banks used for the construction of the research scale. The researcher identified the highest value and assigned it a score of 5, while the lowest price was awarded a score of 0. The middle values were then divided into 10 equal intervals, according to the structure of an eleven-Binde Lickart scale (0 to 5).

Building a banking performance measure based on the balanced scorecard as a whole: The researcher adopted the balanced target card shown below to represent the total performance measurements of the selected bank for the construction of the research scale. The total score reflects cumulative performance in all four approaches to a balanced target card: Financial (40%), customer (20%), internal operations (25%) and learning and development (15%). The grade was assigned based on the actual performance received by the selected bank, as described below.

Table (6) Distribution of grades for the balanced scorecard in relation to its axes

Financial axis	Customer axis	Internal Operations Axis	Learning and Growth Axis	The card as a whole
%40	%20	%25	%15	%100

Reference: Prepared by the researcher

In the case of received performance levels, the total performance was classified based on the cut -off score received from the total score obtained on a balanced target card. Each viewing level was defined according to the score received by the bank, as illustrated in the following table.

Table (7) shows the degree of the cut-off percentage for performance levels.

Performance percentage achieved	Nature of performance	To take steps
% 49 Until	Weak	Performance needs radical changes
% 59 – 50	Acceptable	Performance requires great efforts to .change



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% 69 – 60	Average	Performance needs improvement and necessary adjustments
% 79 – 70	Good	Performance needs continuous monitoring .to maintain this level
% 89 – 80	Very Good	Performance requires inspiration and support
%100 – 90	Excellent	Best bank performance

Reference: Prepared by the researcher

3-2 Describing and calculating banking performance using the balanced scorecard

Table (8) shows the results of the balanced scorecard with its four axes for the National Bank of Iraq, as follows:

Table (8) Results of the total of the four axes of the National Bank of Iraq card

year	Financial axis score 40	Customer axis score 20	Internal Operations Score 25	Learning and Growth Level 15	Overall scorecard score: 100	Evaluation of the balanced scorecard as a whole	Arrangement
2006	20	9	13.328	12	54	Acceptable	3
2007	16	19	14.994	7	57	Acceptable	1
2008	23	12	12.495	2.5	50	Acceptable	6
2009	21	11	12.495	7.5	52	Acceptable	4
2010	14	14	15.827	4	48	Weak	8
2011	17	15	14.161	8	54	Acceptable	3
2012	18	15	14.161	7.5	55	Acceptable	2
2013	14	14	9.163	6.5	44	Weak	10
2014	12	11	11.662	8	43	Weak	11
2015	11	11	12.495	11.5	46	Weak	9
2016	12	12	10.829	3.5	38	Weak	13
2017	12	12	16.660	10.0	51	Acceptable	5
2018	15	11	10.823	7.5	44	Weak	10
2019	11	14	17.488	7.5	50	Acceptable	6



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2020	11	17	14.985	6.5	49	Weak	7
2021	6	17	11.654	5.5	40	Weak	12
2022	4	13	11.657	3.0	32	Weak	14
2023	38	2	9.996	7.5	57	Acceptable	1
2024	21	11	4.162	10.0	46	Weak	9
Average	16	13	13	7	48	Weak	

Reference: Prepared by the researcher

This is stated in the table (10), which shows the bank results of the National Bank of Iraq on the basis of a balanced scorecard, that the bank achieved its highest performance result in 2007. This remarkable reform is responsible for using the bank's planned strategic initiative with the goal of increasing performance levels in the bank.

During that year, the bank saw an increase of 61 % in the amount of deposits compared to 2006, showing efforts to manage liquidity sources - necessary to expand the credits in different economic fields and maintain sufficient reserves for withdrawal. In addition, the amount that was given compared to the previous year increased by 42%.

In addition, according to the bank's annual financial report (2007), compared with 2.9 billion Dinar in 2007, the bank experienced a significant increase in interest and commission revenues, reaching 7.2 billion Iraqi Dinar in 2007.

The bank also achieved its highest performance result in the year 2023, which is responsible for using the strategic initiatives used to increase the level of performance in the same way. In that year, the bank recorded an increase of 74% in the return on investment compared to the previous year, as well as an increase of 86% in sales generated from Banksverk, and shows the efficiency of its strategic approach.



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According to a balanced target card, the lowest performance was registered by the bank in the year 2022. This decline has been attributed to the decline in the amount given to different areas along with a reduction in cash liquidity in relation to the deposit amount. In addition, the bank experienced a 42% increase in total costs compared to the previous year. These challenges were made more complex because of the deterioration of the economic environment due to the effect of the Kovid -19 epidemic, with significant results from the previous year. (Bank's annual financial report, based on 2022).

The bank also registered a low performance in 2016 based on a balanced scorecard point. This decline has been primarily responsible for the negative effect of the global financial crisis, as well as the decline in economic and security conditions in the country, which specifically affected the overall economic environment and the banking sector. In addition, the increasing intensity of competition between banks in the private sector and the entry of foreign banks in the Iraqi market contributed to the decline in this performance. Important factors had a decrease in the bank's credit activity, a reduction in the investment volume and a decrease in revenue generated. (Based on the bank's annual financial report, 2016)

It is noted from these results that the National Bank's results exceeded the cut-off threshold, which is (50%), in the year (2006,2007,2008,2009,2011,2012,2017,2019,2023) and that these results at the performance level were within the acceptable performance level, which requires the bank to strive and make great efforts to change the reality of its banking performance.



From the results shown above, it is clear that the National Bank of Iraq does not meet the requirements for applying the balanced scorecard in its four axes as a whole.

Conclusions

1- Previous research indicates that obtaining strong or excellent banking performance is a main goal for bank management. This hunt has inspired both researchers and doctors to pay more attention and study deeply in important factors that enable banks to gain competitive benefits and increase their overall performance.

2- Several dimensions addressed by a balanced target card indicate that it not only depends on financial measures, but also involves non-economic indicators such as customer satisfaction, internal business processes and also learning and development.

3- The results of the calculation of banking performance using a balanced target card at the total level saw a decrease in most research years. At the level of individual axes, however, the customer axis performed the best continuously, with the results that crossed the cutting limit most years. On the other hand, the results of other axes - financial, internal operations and learning and development - were demonstrated with UPS and furious, with a period of improvement and decline, although the decline was more prominent.

Recommendations

1- "The bank must use a balanced target card as a tool to measure and evaluate bank results, and it must also meet the target card requirements in all columns." (financial, customers, internal operations, learning and growth).



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2- "The balanced target card revealed the weaknesses of the bank's overall performance. This does not mean that the bank is unprofitable. Rather, it indicates that the bank has a high priority at the profitability at the expense of other important goals, as the current study is more weight.

3- During the study, the bank should carefully take into account its strategic orientation, which is reflected in its assignments and a declaration of vision, which explains its medium and long -term purpose.

4- Campaign, emphasizes openness and maintaining a good financial situation helps create an atmosphere of confidence and insurance for all stakeholders working with the bank being studied

5- The central bank in Iraq should use modern functioning to evaluate the actual performance of the banking sector, using a balanced target card in both its economic and non-financial dimensions.

6- To improve the quality of service, increase performance and achieve goals in an efficient and efficient way, banks should use modern technical equipment and attract skilled professionals in their fields. This approach is necessary to achieve competitive advantages and ensure long-lasting stability in the banking and credit industry.

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