

The Quality of Electronic Services and their Impact on Banking Performance: An Exploratory Study of the Opinions of A Sample of Employees of Al-Rafidain Bank, Public Administration Branch – Baghdad

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Abstract

The current research is based on a statement of the concept of the quality of electronic services in the bank represented by an independent variable and the concept of banking performance represented by a dependent variable. They were chosen at random, As a sample of (400) employees was taken, and the research was formed as to whether there is an impact in applying the dimensions of the quality of electronic services provided by Rafidain Bank on its banking performance. The practical aspect of the research, and the research tool adopted by the researcher is the questionnaire, The ready-made statistical program (SPSS.v24) was used, and the research reached several conclusions, including: There is a statistically significant effect at the level of significance (0.05) for the variable quality of electronic services in banking performance in Rafidain Bank, Public Administration Branch.

Keywords: Quality, Electronic Services, Banking, Performance

Introduction

Banks contribute to providing a variety of banking services that affect customers, and that it takes time from customers to obtain them, which requires what is the impact of the quality of electronic services provided by the bank to customers and its reflection on the bank's performance.

The research problem is embodied in a number of questions she; (1) Are electronic services available at Al-Rafidain Bank? (2) Is the performance of Rafidain Bank applied in a high way that rises to the distinguished reputation among other banks?; (3) The effects of the quality of electronic services provided on the performance of Rafidain Bank?.

The importance of the research by addressing two important topics in the banking field, as electronic banking services are among the modern topics and are considered one of the few topics that have been addressed, which are provided by banks to customers without the need to be provided by many employees, but are limited to those He has experience in the field of computing and modern technologies, and the extent of the impact of this concept on banking performance, since banks seek to have the highest level of performance as possible. Seeking search to achieves a number of objectives; (1) Knowing the extent of benefiting from electronic services through their availability on the bank's website and their quality; (2) Statement of the level of banking performance in Al-Rafidain Bank; (3) Suggest recommendations and mechanism implemented In the quality of electronic services that enhance the banking performance in a bank.

Methods

I depend Searching for its practical side on me Descriptive analytical method who is considered from a description the problem and select it and statement practices or conditions and therefore the assessment and comparison And being the best for Reality knowledge Rafidain Bank.

Society and Research Sample

Select the researcher in that site search (Al-Rafidain Bank, General Administration Branch) is very important, And for a test hypotheses field research, Was selected The research sample from Staff in bank and their number is (400) employee.

The Hypothetical Research Model

The research depended on covering the theoretical side of what was available from Arab and foreign sources, theses and letters, in addition to the use of the international information network. As for the practical side, it depended on the questionnaire, which consisted of two parts: decisive (2019) for the variable of the quality of electronic services. As for the second part, it adopted a scale for the variable of banking performance. Figure (1) shows the hypothetical research structure below:

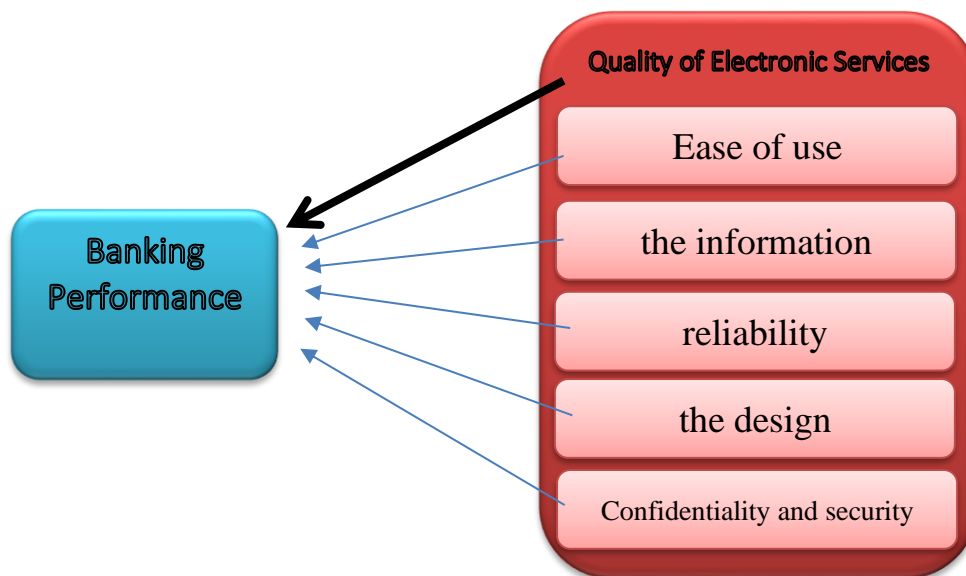


Figure 1. The Hypothetical Structure of the Research

Source: Prepared by the researcher

Hypothesis

The research assumes a main hypothesis: There is a statistically significant effect at a significant level (0.05) for the variable quality of electronic services in the variable banking performance in Rafidain Bank, Public Administration Branch. Several sub-hypotheses emerge from it; (1) There is a statistically significant effect at a significant level (0.05) For ease of use in variable Banking performance in Al-Rafidain Bank, the General Administration Branch; (2) There is a statistically significant effect at a significant level (0.05) for the distance of information in variable Banking performance in Al-Rafidain Bank, the General Administration Branch; (3) There is a statistically significant effect at a significant level (0.05) for reliability in variable Banking performance in Al-Rafidain Bank, the General Administration Branch; (4) There is a statistically significant effect at a significant level (0.05) design dimension in variable Banking performance in Al-Rafidain Bank, the General Administration Branch; (5) There is a

statistically significant effect at a significant level (0.05) For secrecy and security in variable Banking performance in Al-Rafidain Bank, the General Administration Branch.

Previous Studies

Study (Salihat, 2021): (Determining the Effect of Banking Service Quality on Customer Loyalty Using Customer Satisfaction as A Mediating Variable: An Applied Study on The Jordanian Commercial Banking Sector).

This study aims to test customer satisfaction as a mediating variable in the relationship between the quality of banking services and customer loyalty using the random sampling method, as banks work in an environment characterized by competition between banking service providers and the continuous development of financial technology, so the quality of banking services determines the success of banks, and the program was used Smart PLS In extracting the results, the results of data analysis and hypothesis testing showed that the quality of banking services in all its dimensions has a positive impact on customer loyalty. In addition, customer satisfaction mediates such a relationship.

Study (my determination, 2021): (ESG activities and banking performance: International evidence from emerging).

The study aims to show the relationship between environmental and social activism and governance ESG) and the value of the bank. And the Include the sample 251 banks during the period 2011-2017 from 44 emerging economies. and use the method for estimating the generalized moments of the system (GMM) to control homogeneity. and found Non-linear relationship between activity ESG and value the bank. She indicated Results to low levels of activity ESG positively affect the value the bank. However, there are diminishing returns to scale. Environmentally friendly activities have the greatest impact on the value of the bank. Study Channels through which activity affects ESG on the value bank and found Positive relationship between activity ESG, Cash Flow and Efficiency. also found that activity ESG negatively affects the cost of equity but has no effect on the cost of debt. The results showed that Supporter Stakeholder Theory and Barter Theory they own Evidence supporting their expectations of the relationship between activity ESG and value the bank.

Study (Beautiful, Happy, 2007): (Evaluating the performance of commercial banks using the ratios of liquidity and profitability by applying to the Mosul Bank for Development and Investment for the period 2002-2004).

The research aims to enter into the details of the scientific rooting for performance evaluation in banks by identifying the indicators and financial ratios used in the evaluation process and their use in evaluating the performance of the bank in question. Evaluating the banking performance of the bank requires identifying the shortcomings and weaknesses and avoiding them, as well as to identify the strengths and work to increase them so that the bank can continue its activities and achieve its returns in light of the high competition between banks. The bank leads to the discovery of the strengths and weaknesses in the performance of the investigated bank, and the research concluded that the indicators used in the research that the best year among the rest of the years is 2002, followed by 2004 and finally 2003, due to the events that occurred in Iraq in 2003 from theft, looting and deterioration for the security situation, However, the bank recovered in 2004.

The Current Framework Pirrigation

The Concept Quality of Electronic Services

The American Marketing Association (1960) defined the service as: The service is provided in the form of an activity of choice or a type of satisfaction presented in that capacity or a follow-

up to a sold product. (Hawari et al., 2013), and the service was defined (Kotler) It is every act or procedure that one party can provide to another party, and it is basically intangible and does not result in ownership in anything, and its presentation is sometimes linked to a physical product. (Al-Sumaida'i & Al-Alaq, 2012). As for the electronic service, he knew it As current products or services that have radically changed the digital image and are provided by the Internet through the most widespread and clear means of information technology, in addition to that, the Internet provides interactive functions with its customers and enables them to obtain electronic services. Electronic is a form of self-service that requires the customer to serve himself by himself, instead of submitting the request to an employee behind an office or talking to a person through the phone to request an inquiry or information. The service is obtained through an automated mutual interaction between the service requester and the employee through an intermediary represented by technology. Therefore, it is important that the designed electronic service fits the desires, needs and expectations of the customer (Al-Halabi, 2017), and there are several distinctive characteristics of electronic services, such as the ability to access, speed of updating and alerting, and it contributes greatly to saving money, time and effort for all parties to the exchange, especially the customer, and it has an effective role in finding solutions that satisfy customers and dedicating their loyalty to the service provider (Al-Adayleh & Al-Mohareb, 2017).

Concept Banking Performance

The word bank comes from the French word (Banque) and they used to put money on tables with glass facades, and then it was placed in the place where all the tables are, and money is traded. Required and the payment of specific interest and accrued thereon (Hassan & Adam, 2013) the concept of performance in general is the act that leads to the completion of the work as it should and is characterized by comprehensiveness. It is concerned with the success of the institution and its survival in its target markets. It also reflects the time of the institution's ability to adapt in two important terms: effectiveness and efficiency (Al-Masoudi, 2015). (Druker, 1999) He defined it as the company's ability to continue and survive and achieve a balance between its employees and shareholders.

Banking performance is a measure of the state of the bank and the results that have been achieved due to administrative decisions, and the approved measure represents these results, whether they are bad or good. (Carton & Hofer, 2006), that there is an agreement about expressing banking performance through its ability to achieve goals and objectives, which differ according to the strategic directions of the bank, its management visions and the nature of the environment in which it operates (Saleh & Al-Douri, 2009). Its ability to achieve its strategic goals of survival, growth and adaptation.

Measuring Banking Performance

The banking performance can be measured from the researcher's point of view as follows:

Efficiency He sees that banking efficiency is the ability to achieve the objectives that were planned at the times, qualities and costs specified for them, or the ability to identify the causes of qualitative, quantitative, technical and temporal deviations, and to work in bringing about development in the operating processes in a way that leads to the exploitation of the available energy in the best form (Al-Azzawi, 2002).

Potency The importance of banking effectiveness becomes clear that it represents the measure of the level of success and progress of the bank and the level of its ability to achieve the objectives at the lowest costs and in proportion to the times specified above through the implementation of the policies and plans that have been developed and the result is nothing but an interactive outcome between the components of the overall performance of the bank from

all technical and administrative activities and what It is affected by external and internal variables (Al-Dulaimi & Salman, 2001).

Productivity It represents a measure of the extent of economic operation and optimum use of the elements of production because of the energies and human and material resources that are available to the bank, in order to achieve its objectives (Al-Husseini & Al-Douri, 2007) and that productivity management is a measure of the level of the bank's ability to properly use its resources in the production of banking services.

Time: He believes that competition based on speed of completion requires banks to adapt quickly, in addition to that the decision-making process must stimulate the middle management levels in the bank to achieve interaction with customers, and thus performance is reflected in speed and time (Russell & Taylor, 2000).

Customer satisfaction: Indicates (Kotler)Satisfaction indicates the feelings that express the happiness that the customer feels by comparing the service or commodity that he obtained and what he expects from it, as satisfaction is the indication of perceived performance and expectations (Kotler, 2000). Figure (2) shows the banking performance indicators based on the above:



Figure 2. Banking performance indicators

Source: Prepared by the researcher

The Practical Aspect of Research

Or not: Data Distribution Test

In order to test the research variables, do they follow or no tracking Normal distribution is used Komogorove-Simirnov, which is shown in the table (1), and the shape Yen (3) and (4) It is clear from the results of the test for a variable y The quality of electronic services and banking performance in that they follow a normal distribution and parametric statistics can be used in tests and verification of hypotheses.

Table 1. Shows the Normal Distribution Test for the Variable Quality of Electronic Services and the Variable Banking Performance

Indications	Sig.	df	Statistic
The variable is the quality of electronic services	.072	400	.095
Banking performance variable	.063	400	.074

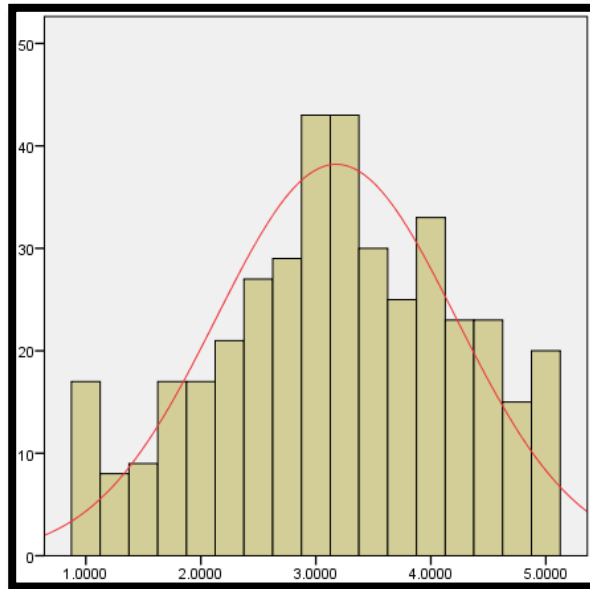


Figure 3. The Normal Distribution of the Quality of Electronic Services

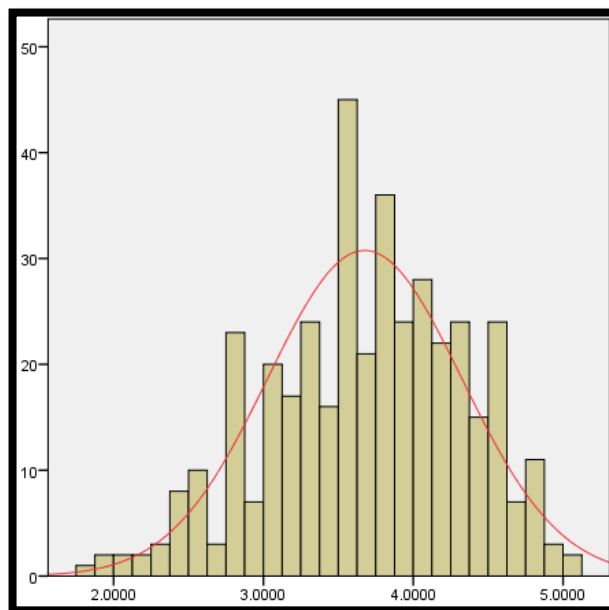


Figure 4. The Normal Distribution of Banking Performance

Stability Test Reliability of Questionnaire

In order to know the stability of the scale, the researcher used a parameter Alpha Cronbach (Alpha Cronbach), It turns out that the value of Labs Cronbach's alpha for the scale reached (0.944) and for the variable Quality of electronic services reach (0.897) As for the variable banking performance reach (0.912), all of which are greater than (0.70), which indicates that the scale with high stability. They are shown in Table (2) below:

Table 2. Schedule 2 The Results of the Stability Employee Test for Scale

	Variable	Paragraphs (Questions)	Alpha Cronbach For Dimensions	Alpha Cronbach For Search Variables	Alpha Cronbach For Search Scale
Quality of Electronic Services	Ease of Use	1-5	0.720	0.897	0.944
	The Information	6-10	0.829		
	Reliability	11-14	0.798		
	The Design	15-17	0.859		
	Confidentiality and Security	18-20	0.803		
	Banking Performance	21-32		0.912	

Source: Prepared by the Researcher

Analysis and Interpretation of Research Variables

shows the table (3) results obtained e-services quality variable for the bank The respondents, where the arithmetic mean of the total variable of quality of electronic services was (3.572), with a standard deviation of (0.906), and a coefficient of difference of (25.37%) which explains Availability E-services quality variable on the level the bank, This availability is evident through its dimensions.

After ease of use, it ranked first among the rest of the dimensions, where the difference factor reached (19.64%) and with an arithmetic mean of (3.801) and standard deviation (0.747), which indicates a high availability of it in the bank wan management. 's website A bank that works to facilitate the information needed by customers or site visitors through organizing and planning this information and the ease of movement between them. As for reliability, it came in second place with a coefficient of difference (23.60%), with an arithmetic mean of (3.753) and a standard deviation (0.886), which indicates a high availability of it in the bank. Where the management of the bank's website works to make the service characterized by speed and respect for time, and that the process of accessing information and services is accurate to customers, while the dimension of confidentiality and security came in third place with a coefficient of difference (25.22%), an arithmetic mean of (3.713) and a standard deviation (0.936), which indicates a high availability of it in the bank. As the bank's website has electronic protection programs to prevent spying, hacking and other operations, and it came in fourth place after information with a coefficient of variation (26.86%) and an arithmetic mean of (3.419) and a standard deviation of (0.918), which indicates a high availability of it in the bank. As the bank's website provides various and detailed services and information, which contain appropriate explanations for customers who wish to obtain them, and finally came after the design With a coefficient of variation (32.87%), a mean of (3.177) and a standard deviation of (1.044), which indicates the availability of Moderate him in the bank In other words, the bank's website is somewhat attractive and beautiful and has a moderate impact on its visitors so that they may return to visit it again.

As fora variable banking performance The respondents, where the arithmetic mean of the total variable of the quality of electronic services was (3.712), with a standard deviation of (0.686), and a coefficient of variation of (18.47%), which shows the availability of a variable banking performance at the bank level This indicates that the bank's management encourages cooperation between the bank's administrative units and provides its employees with modern

technologies in order to provide banking services in an easy way and meet the needs of customers accurately and in an organized manner that serves them. It works on clarifying the instructions and instructions for how to obtain the service and its type.

Table 3. shows the criteria for the variable, the quality of electronic services, and its paragraphs

	Dimensions and Search Variables	Arithmetic Mean	Standard Deviation	Variation Coefficient
Dimensions of the Quality of Electronic Services	Ease of Use	3.801	0.747	19.64%
	The Information	3.419	0.918	26.86%
	Reliability	3.753	0.886	23.60%
	The Design	3.177	1.044	32.87%
	Confidentiality And Security	3.713	0.936	25.22%
The Total Variable is the Quality of Electronic Services		3.572	0.906	25.37%
Total Variable Banking Performance		3.712	0.686	18.47%

A Test Main and Subsidiary Research Hypotheses

illustrated by schedule (4) that value ($F=239.014$) It is statistically significant Because the test significance was (0.000) It is less than the significant value (0.05). This indicates to me having an effect The variable has the quality of electronic services in the variable banking performance, as for the value of the coefficient of determination (R^2) which reach b (.580) That is, the quality of electronic services explains the variation in the variable banking performance, And the rest is (.420) It is due to other factors not included in Model the study .

but the Values ($F = 168.871$) is statistically significant because the test significance reached (0.000), which is less than the significant value (0.05), and this indicates an effect for far Ease of use In the variable banking performance, either the value of the coefficient of determination (R^2), which amounted to (.297), that is, the quality of electronic services explains the discrepancy in the variable banking performance, and the remaining percentage is (.703) due to other factors that were not included in the study model.

But the Values ($F=257.141$) is statistically significant because the test significance reached (0.000), which is less than the significant value (0.05), and this indicates an effect for far the information In the variable banking performance, either the value of the coefficient of determination (R^2), which amounted to (.391), that is, the quality of electronic services explains the discrepancy in the variable banking performance, and the remaining percentage is (.609) due to other factors that were not included in the study model.

As for the value ($F=243.349$) is statistically significant because the test significance amounted to (0.000), which is less than the significant value (0.05), and this indicates that there is an effect of the dimension reliability In the variable banking performance, either the value of the coefficient of determination (R^2), which amounted to (.671), that is, the quality of electronic services explains the discrepancy in the variable banking performance, and the remaining percentage is (.329) due to other factors that were not included in the study model.

As for the value ($F = 206.697$) is statistically significant because the test significance amounted to (0.000), which is less than the significant value (0.05), and this indicates that there is an effect of the dimension the design In the variable banking performance, either the value of the coefficient of determination (R^2), which amounted to (.505), that is, the quality of electronic services explains the discrepancy in the variable banking performance, and the remaining percentage is (.495) due to other factors that were not included in the study model.

As for the value ($F=229.843$) is statistically significant because the test significance amounted to (0.000), which is smaller than the significant value (0.05), and this indicates that there is an effect of the dimension Confidentiality and safety In the variable banking performance, either the value of the coefficient of determination (R^2), which amounted to (.519), that is, the quality of electronic services explains the discrepancy in the variable banking performance, and the remaining percentage is (.481) due to other factors that were not included in the study model.

Table 4. Schedule 4. Effect the quality of electronic services and its dimensions in banking performance

Variable or Dimension	Variable Banking Performance		
	R2	F	Morale
Ease of Use	.297	168.871	.000
The Information	.391	257.141	.000
Reliability	.671	243.349	.000
The Design	.505	206.697	.000
Confidentiality and Security	.519	229.843	.000
Quality Of Electronic Services	.580	239.014	.000

From the previous results, we conclude Hypothesis accepted the main which states that (There is a statistically significant effect at a significant level (0.05) for the variable quality of electronic services in the variable banking performance in Al-Rafidain Bank, Public Administration Branch), as well as the five sub-hypotheses emanating from it.

Conclusion

The bank's website provides ease of searching and navigating the information and services that are provided to customers, as it is characterized by clarity and simplicity when using it. The bank's website provides various services that can be requested by the customer, since its detailed information was viewed through the website, in addition to the rest of the services that were clear to it. The bank respects the time in providing services to its customers through the bank's website, which presents the services in an accurate and quick service and in an excellent manner. It is clear that the bank's website is keen that the information of customers and even its visitors is subject to privacy and confidentiality, and that the site works on the use of protection programs from viruses and hacking. The bank informs its customers and employees of all the instructions and procedures they need about the services provided through the bank's website to facilitate meeting their needs and presenting them to them efficiently and effectively that helps their satisfaction and attract other customers. It is clear that the impact of the quality of electronic services on banking performance is positive and direct, meaning that any increase in the quality of electronic services is offset by an increase in the same direction of banking performance, and there is also a positive and direct impact on the dimensions of the quality of electronic services individually (ease of use, information, reliability, design, confidentiality and security) in banking performance.

Recommendations

The researcher reached a number Among the recommendations are as follows; (1) Through the researcher's visit to the bank's website, they found that it needs more detail about the services provided to customers, and needs to be updated faster than it is now; (2) Increasing interest in the design of the bank's website, as it is the focus of the attention of visitors and customers, and it is possible to contract with specialized offices in this field, as they will give the site more effects, in addition to updating the lists available in it in an innovative and technical way; (3) Introducing electronic service providers and managers of the bank's website to developmental

and specialized courses in the field of computers and information network to increase its capabilities and link it with the accounting field.

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