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Analysis of the Overall Financial Performance of the Top Ranking Omani Commercial Banks

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Abstract

Purpose: This study aims to analyze the general financial performance of the banks, the many factors that affect the bank's financial performance and the financial indicators that explain and evaluate the financial performance of the banks. This study combines previous studies and the opinions of researcher on bank's financial performance. Findings revealed that there are factors that affect the financial performance of banks, including loans, non-performing loans and interest margin. Knowing and improving these factors helps improve financial performance. There are financial indicators such as quick ratios and ownership rights that aimed to develop a perception of the bank's position. Likewise, the lack of these indicators puts the bank in a dangerous position.
Design/methodology/approach: The population of the study are the employees from the finance and accounting department at the commercial Omani banks. The primary data were utilized which are the questionnaire and the interview with selected bank's senior employees. The sample size is 297.

Research limitation/implications: It was recommended that the three banks (Bank Muscat, Bank Dhofar, and Alizz Islamic Bank) focus on paying attention to financial performance and knowing the factors affecting it, in addition to knowing the financial indicators.

Social implications: This research will add social knowledge about the importance of analyzing financial performance and knowing the factors affecting it, in addition to the financial indicators that evaluate financial performance.
Originality/value: This is the first time that a study has been conducted on analyzing the overall financial performance of the best Omani commercial banks.

Keywords: commercial banks in Oman, financial analysis, financial performance, top ranking Omani commercial banks

Introduction

The financial performance of companies and banks in countries is affected by the impact of the countries' economy in general. Hence, the more the economy is heading in a good direction, the better the financial performance of companies and banks will be and the more profits will be achieved. Assets, liabilities, revenues, and ownership are considered among the pillars that determine and evaluate the financial performance of companies and banks. These pillars are measured by the potential effectiveness of the bank or company, and this allows users to calculate the simplest details. On the other hand, net profit, inflation, interest rates, and gross domestic product are among the factors that lead to fluctuating financial conditions. The purpose of this project is to know the pillars that evaluate financial performance, as well as to know the factors affecting the volatility of financial performance.The banking and financial sector is considered as one of the most important sectors in the Sultanate of Oman for several reasons. First, this sector works to provide financing used in infrastructure, as well as providing insurance and financial derivatives, with the aim of managing risks. Moreover, the sector provides job opportunities for people. The Sultanate of Oman is working to develop the financial sector through technology, and by 2040, Oman seeks to develop this sector in all aspects (n.a. 2023).

Statement of the Problem

What the economy is witnessing and its fluctuations in the current period affect the financial performance of commercial banks on one hand, and on the other hand, loans, interest margin, return on assets, and interest rate also affect the financial performance. Moreover, these factors determine whether the financial performance is good or weak. Banks place financial performance as one of their priorities, but in return they do not care about the factors affecting financial performance or how they affect it. This is what makes financial performance weak due to a lack of interest in the factors that affect it. This research analyzes the financial performance of top Omani commercial banks in the country of Oman – the Bank Muscat, Bank Dhofar, Alizz Islamic Bank.

Objectives of the Study

1. To identify the influencing factors affecting the financial performance of top ranking Omani commercial banks.

2. To evaluate the impact of each factor affecting the financial performance of top ranking Omani commercial banks.
3. To evaluate the financial indicators used to evaluate the financial performance of Omani commercial banks.
4. To make recommendations on how to improve the financial performance of Omani commercial banks.

The Research Questions

Q1. What are the factors affecting the financial performance of Top Ranking Omani commercial banks?

Q2. What are the impact of each factor affecting the financial performance of top ranking Omani commercial banks?

Q3. What are the financial indicators used to evaluate the financial performance of Omani commercial banks?

Q4. What are the recommendations on how to improve the financial performance of Omani commercial banks?

Literature Review

Influencing factors affecting the financial performance

The financial performance of banks is considered one of the most important matters that can determine the survival and profitability of the bank or the loss of the bank and its closure. From here comes the concept of financial performance as a measure of the bank's assets, profitability, revenues and spending. Financial performance is analyzed through 3 things: the balance sheet and the income statement in addition to the financial flow (Luther, 2023).

Balance Sheet: The balance sheet is one of the financial statements used to analyze financial performance. The balance sheet is a financial statement used to display a bank's assets and characteristics, as well as shareholder equity. Furthermore, the balance sheet shows the financial position of the banks at a given time, and shareholders and investors use the balance sheet to know the welfare of the banks (Fernando, 2023).

Income Statement: The income statement is considered one of the important financial statements in banks because it determines the banks' losses, gains, revenues, and expenses. It is called by another name, which is the statement of income and losses, or by a third name, which is the list of revenues and expenses. The income statement aims to convert the banks' net revenues into their profits (Chen, 2023).

Cashflow: Cashflow is defined as a financing activity that comes from the net amount of financing obtained by the bank. In addition, there are financial activities aimed at issuing property rights and paying debts, in addition to paying stock dividends (Vipond, n.d.).
Annual Reports: Annual reports are essential and mean reviewing the bank's work during a year, in addition to describing the bank's financial conditions.In fact, there is no difference between financial statements, as they are all important. Moreover, financial statements, such as the balance sheet and income statement, in addition to the financial flow statement, contain the huge amount of information that the bank needs in analyzing financial performance, in addition to the factors affecting financial performance that depend on their information. On the financial statements. The importance of financial performance: The importance of financial performance varies according to the stakeholders. This means that the importance of financial performance for investors is that they discover whether there are profits. At the same time, the importance of financial performance for bank management is that financial performance gives them internal control. Moreover, the importance of financial performance is to creditors, it is necessary to obtain a review of the bank's liquidity (n.a.,2023). There are many factors that affect financial performance, including loans, return on assets, net interest margin, loan-to-deposit ratio, non-performing loans, capital efficiency ratio, debt to equity ratio (Ajma, 2023). There are many benefits to analyzing financial performance, including assessing the financial health of a business. When financial performance is analyzed, this analysis depends on financial ratios such as liquidity and profitability, and this is reflected in investors, as they use these ratios in making decisions about their investments. On the other hand, the importance of financial analysis it communicates financial information in a simple manner to investors and stakeholders.By analyzing the financial performance, it is possible to know the bank's ability to increase its profits, in addition to having information about the bank's financial condition. There is also information available that investors can consider before the investment process.In the Conclusions, financial performance is considered an important matter in banks, in addition to the fact that it is analyzed through the balance sheet, income statement, and financial flow. These metrics must be well known in order to measure financial performance through them.

Impact of each influencing factor affecting the financial performance

There are many factors affecting the financial performance of banks, which either make the financial performance of the bank good or make it bad, and these factors include:

Loans: Loans are known as one of the most important types of credit, which means that one party gives the other party an amount. The loan process is carried out by the fact that a person, at a certain time, encounters a certain circumstance and needs a certain amount, so she submits a request to the bank with the aim of obtaining the amount. These loans are used for many things, including investments and major purchases (Kagan, 2023). The relationship between loans and the financial performance of banks lies in the fact that if the percentage is very high, this means that the bank cannot meet any additional financial requirements, meaning that it does not have liquidity. If the percentage is very low, this means that the bank is not making profits, meaning that the ratio should be moderate (Aeisd, 2017).

Return on Assets: This term means the extent of the bank's profitability compared to its assets, and it is one of the most important factors affecting the financial performance of banks. Return on assets is more important for banks because the return on assets of these banks is much greater and better than the return on assets of companies. The relationship between return on assets and financial performance is that if the ratio is high, it means that the banks are more productive as well as more efficient, then this means that the financial performance of the banks is better, but on the other hand, if the ratio is low, this means that the financial performance is weak and must be improved, and the bank may be exposed to a loss (Hargrave, 2022).

Net Interest Margin : Net interest margin: It is a measure by which net income is compared with the net interest margin generated by the bank. Interest margin is obtained from several things, including loans and credits. The two most important factors that affect net interest margin are supply and demand, in addition to fiscal and monetary policies. The relationship between the net interest margin and the financial performance of banks is that when the net interest margin is positive, this indicates that the financial performance of banks is good and profitable, but if the net interest margin is negative, this means that the performance is poor and the bank is exposed to loss (Annapoorna, 2023).

Loan to deposit ratio : It means evaluating the total loans lent by the bank compared to its total deposits in the same time period. Economic conditions are one of the most important factors that can affect loan demand, and this affects and changes the ratio of loans and deposits in banks. The relationship between the ratio of loans to deposits and financial performance is that the higher the percentage of loans to deposits, this means that the bank does not have sufficient liquidity with which it can cover the requirements. At the same time, if the ratio is very low, this means that the bank cannot achieve profits. Meaning, the percentage should be moderate (Murphy, 2023).

Non-Performing Loans : The term non-performing loans means that the loan is not returned by the borrower to the lender after the end of the period, meaning the loan is not paid. There is something that banks do with these loans, which is that the bank sells these loans with the aim of getting rid of them and focusing on the loans that generate money from them. The relationship between non-performing loans and financial performance is that the higher the percentage of non-performing loans, this means that the financial performance is weak (Segal, 2022).

Capital Efficiency Ratio: Capital efficiency means the money returned to banks on the cap1ital used by the bank. The goal of measuring capital efficiency is to know the banks efficiency. The benefit of studying capital efficiency is that it helps the bank develop the company's committed leadership. The relationship between the capital efficiency ratio and financial performance is that the higher the capital efficiency ratio, this means that the financial performance is good (Jacobsohn, 2023).

Debt to Equity Ratio: It is one of the factors affecting financial performance, which shows the amount of debt that the bank has obtained in exchange for its existing assets. There are several types of debt to equity, such as obligations that are characterized by short-term and requirements that are long-term, in addition to responsibilities that are characterized by it is accumulated. As the ratio of debt to equity increases, this affects the financial performance of banks, so banks are affected and may be exposed to the risks of bankruptcy and closure (Staff, 2022).

Cashflow: It is one of the factors affecting financial performance. It means that it is the bank's net cash, whether inside or outside. Moreover, the more cash flows increase, the greater the Financial performance and it becomes positive. There is something known as cash flow analysis, and it comes through the cash flow statement, which shows the bank's cash resources. The goal of cash flow statements is to make the bank's balance sheet and the bank's income statement consistent (Hayes, 2023).

Financial indicators used to evaluate the financial performance

Financial indicators: These are standards that are used to measure the financial performance of banks, which aim to define and develop an outlook on the bank's work and determine its financial achievements. The concept of financial indicators and financial data are linked to each other, as the truest type of financial indicators is the bank's net profit.

Here are several financial indicators that are used to evaluate the financial performance of banks, including Gross profit Margin, Not profit Margin, Return on Equity, Return on asset, Quick Ratio, Current Ratio , Working Capital Below we will discuss one by one (Vaidya, n.d.).

Gross profit Margin: It is one of the financial indicators through which the financial performance of banks can be evaluated. The gross profit margin comes after removing the cost of spending. The gross profit margin is considered important for investors. A high percentage of the gross profit margin means that the bank is in good financial health, but if the percentage decreases, this causes the bank to lose and the financial health of the bank is not good (Bloomenthal, 2023).

Not profit Margin : It is the net profit obtained by the bank after putting the total profit with the total revenues. Investors use net gross profit to evaluate the relative amount of profit. Net gross profit is a very important indicator and evaluation of the financial position of banks. There are restrictions that will affect the net profit margin, as the net profit varies during the periods during which banks' financial reports are prepared (Disallow, 2023)

Return on Equity: It means an indicator and measure of performance and is identified by taking net income and dividing it by shareholders' equity. Moreover, shareholders' equity and the bank's assets are considered equal. Shareholders' equity as well as net income must be positive to be able to calculate the return. If shareholders' equity is at a high rate and the net profit is at a high rate, this is considered that the financial performance of banks is very strong (Velasquez, 2023).

Return on Asset: It is one of the most important indicators that evaluate the financial performance of banks. This means that it measures the profitability of the business as well as the quality of profitability. The importance of measuring the return to assets is that they evaluate Bank performance over several periods. Moreover, the higher the return on assets, the greater the bank's profitability (Team.n.d.).

Quick Ratio: They are an indicator of the financial health of banks and mean the financial situation in the bank. In addition, they give an indication of whether the bank can pay its obligations. There are several components of quick ratios, an example of which is cash. There are advantages to these quick ratios that have the ability to maintain More liquidity. It is considered a true indicator of the best abilities (Seth, 2023).

Current Ratio: It is known by another name, which is the capital ratio. The goal of the current ratio formula is to measure the extent of the banks' ability to perform their obligations. The current ratio formula is developed among the financial performance indicators. These indicators measure the extent of the financial performance of the banks (Vipond, n.d.).

Working Capital: Working capital is considered one of the indicators of the financial health of banks. This means that if the bank has high capital, this makes it more widespread and more invested. The assets are taken and a subtraction is made from them for the banks' financial obligations. If the bank's assets are weak, this is an indication of the bank's weak financial performance, so the bank must increase its assets. Moreover, the banks must reduce its debts (Fernando, 2023).

Debt ratio: It is one of the financial indicators, which means the total debt to the total assets. Moreover, if the ratio is above 1, it means that most of the bank's assets are financed with debt, and this means that the bank's liabilities ratio is much greater than the ratio of its assets, and the meaning of this is that the bank is heading to risk, and it is dangerous. Therefore, assets must be much more than liabilities. Everything has advantages and disadvantages, so the debt ratio has an advantage, which is that it is quick to understand and calculate, and the low debt ratio means that the bank is not in danger. In addition to that, there are disadvantages to the debt ratio, which is that it is not possible to know the cost and type of debt, the different debt repayment periods and the amount of interest (Hayes, 2023).

Operating cashflow: of the indicators of financial performance and its purpose is to give an indication that it is possible that the bank can generate cash flow or whether the bank is in a state of loss and needs external financing to carry out its operations. There are two methods used to detect operating cash flow, either directly or indirectly. There is an importance to the operating cash flow process, which is that it explains any error in the calculations. There are 3 different types of cash flow, which are either investment, operation, or financing. Operating cashflow is very important and the reason is that it sets standards for business operations, in addition to clarifying whether the bank can have a positive or negative cash flow (Tuovila, 2023).

Total Asset Turnover Ratio: It is one of the financial performance measures and aims to measure the bank's revenues compared to its assets. This means that it determines how efficient the bank is. This measure is calculated in percentage and is annual. When the asset turnover percentage increases, this means that the bank's financial performance is better.

Equity Multiplier: It is one of the most important financial measures that determine the bank's efficiency and performance. Equity multiplier is the amount that the bank has borrowed in order to purchase its assets from here. The bank's equity multiplier must be lower because if the bank's equity multiplier ratio increases, this means that it is in Sometimes it is exposed to risk, but if the stock multiplier is lower, this means that the company has no debts.

In conclusion, for each financial sector there are indicators known as financial indicators. These indicators are used to evaluate the financial performance in the financial sector, which in turn reveals the path of financial performance, whether it is in the direction of profit or in the direction of loss. The indicators work together so that no single indicator can evaluate the financial situation and financial performance in the bank, as the presence of all financial indicators in the bank is considered necessary.

The importance of improving financial performance lies in balancing expenses and income, which in turn helps preserve the bank's funds and thus limit the bank's loss.

Considering that financial performance is important in banks, there are many recommendations that banks must follow in order to improve financial performance:

Improving efficiency: The step of improving efficiency is considered the quickest way to Improve the financial performance of the bank.

Placing and forecasting cash flow: Here, cash flow gaps must be identified in order to determine the timing of the gap's occurrence. Placing and forecasting cash flow is considered one of the most important strategies that can improve the financial health of banks, and this means that Financial performance will be better.

Revenue development: This means that it is a successful strategy to improve financial Performance and financial health by increasing sales to customers in addition to trying to reach new customers (Sayer, n.d.).

Developing and determining the business plan: Developing the business plan is considered the basis of the matter in any bank, because the business plan sets the business goals and how to reach these goals. Developing the business plan is considered the basis of success. If the business plan is successful, this means that the business will be successful, meaning that the financial performance will be good.

The costs must be known: meaning that the costs are related to financial performance, so the bank's daily costs must be known.

Every financial institution must have a financial advisor: Sometimes there is a need for financial advice and capital placement, so there must be a person who is a financial advisor and analyst in order for the financial performance to be good.

Expenses must be reduced: This directly affects financial performance. The fewer expenses, the better the financial performance of banks (Ali, 2023).

In the conclusions, there are many recommendations that the banking sector must follow in order to obtain high financial performance, because financial performance is important in any sector, so it must be preserved and strive to raise it and make it at a high level. Moreover, if financial performance is neglected, the sector will be exposed to danger, perhaps the risk of closure, the risk of bankruptcy, or the risk of collapse.

Research Methodology

Research Design: It is a set of strategies, methods, and techniques that were chosen by the researcher with the aim of completing her research. Moreover, there are 3 major steps there: the first is data collection, followed by measuring the data, and then finally analyzing the data. One of the most important characteristics that should be in a research design is reliability and validity. There are two types of research design: either qualitative or quantitative. The importance of research design lies in facilitating clarity of objectives and increasing the level of validity and reliability of the data (Bhat,n.d.). In this research, descriptive research will be used. Descriptive research design means discussing and studying a specific case or phenomenon. Descriptive research can use many methods related to research. When the researcher goal in her research is to identify trends, categories, or characteristics, using descriptive research will help her complete hertudy (Mccombes, 2019). Here, the researcher will use two types of data: quantitative data that depends on numbers and qualitative data that depends on information and opinions.

Population: The study population includes all the employees of the bank. Approximately 297 employees from the finance and accounting department at the bank will be estimated to answer this questionnaire because this study depends on this department, in addition to that they have the ability to answer these questions because they are related to finance.

Sampling Size:It is the number of individuals who will participate in this study, or perhaps the number of people included in this study. Moreover, the presence of a sample size in research is considered an important point because it determines the validity and reliability of the research (Staff, 2023). Due to the nature of the study, the target group is employees of the Finance and Accounting department only.

Reliability and Validity:Reliability and Validity are two interconnected concepts that aim to examine and evaluate the quality and accuracy of research. Moreover, the researcher must take these two concepts into consideration in her research work, with the aim of avoiding bias that could pose a danger or problem in the research (Middleton, 2019). The researcher must pay attention to the reliability of her research tools. The reliability and validity of the research comes from the respondent giving correct and logical answers to the questions. In addition, the questionnaire was sent to the Finance and Accounting Department, and only the employees solved it at a rate of 80%.The subject of the validity of the research comes through the researcher making sure that the topic is interconnected with the objectives and the questionnaire questions, without deviating from the topic. In addition, the researcher participated with the course supervisor and the person responsible for it. After that, the supervisor gave the correct instructions and comments to modify the questionnaire, and then the researcher modified what was required.

Table 1:Validity and reliability

Respondent	Age	gender	cational le	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14	Total
1	1	1	1	2	1	1	1	4	4	1	1	1	1	2	22
2	2	2	2	1	1	2	1	1	2	1	1	1	1	1	19
3	2	2	3	1	2	2	2	3	4	2	2	2	1	2	30
4	1	1	1	1	1	1	1	4	4	1	1	2	2	2	23
5	2	2	3	2	2	1	1	5	5	2	1	1	1	2	30
7	3	1	3	1	1	1	1	3	3	1	1	1	2	2	24
								Sum Total Variance							19.86667
Variance	0.566667	0.3	0.966667	0.266667	0.266667	0.266667	0.166667	1.866667	1.066667	0.266667	0.166667	0.266667	0.266667	0.166667	
Total the Variance															6.866667
Cranach's Alpha															17.14703

The table 1 above with results generated from Excel, shows the results of the validity and reliability test. The researcher reached a Cronbach's alpha ratio of 17.14603. This ratio is considered positive and very satisfactory. This means that this test has good reliability and validity.

Table 2:

Matters related to the financial sector is very important

Options	Frequency	percentage
Strongly agree	119	57%
Agree	88	42%
Neutral	3	1%
Disagree	0	0%

Strongly disagree	0	0%

The table 2 above shows people's opinions on whether studying financial performance is important or not. Moreover, the percentage of people who answered that they strongly agreed was 57%, while the percentage of people who agreed was 42%, while the percentage of neutral people was 1%, and as for the people who disagreed, their percentage was 0. % of those who strongly disagreed was 0%. From the percentages, it is clear that studying financial performance is very important.

Table 3:

The factors always have a positive impact on the financial performance of Omani commercial banks

Options	Frequency	percentage
Strongly agree	6	3%
Agree	3	2%
Neutral	21	10%
Disagree	68	32%
Strongly disagree	112	53%

The table 3above shows people's opinions on whether the factors always positive affect the Financial performance of banks. Moreover, the percentage of people who answer that they strongly agree was 3%, while the percentage of people who agree was 2%, while the percentage of neutral people was 10%. As for The percentage of people who disagree was 32%, while the percentage of those who strongly disagree was 53%. Through the percentages, it is clear that there is not always a positive effect. Factors cannot always have a negative impact on financial performance. Sometimes they have a positive impact and sometimes they have a negative impact.(Kagan, 2023). One of the factores affecting financial performance areLoans,Return on Assets,Net Interest Margin ,Loan to deposit ratio ,Non-Performing Loans ,Debt to Equity Ratio, Capital Efficiency Ratio.

Table 4:

The factors always have a negative impact on the financial performance of Omani commercial banks

Options	Frequency	percentage
Strongly agree	6	3%
Agree	3	1%
Neutral	21	10%
Disagree	77	37%
Strongly disagree	101	49%

The table 4 above shows people's opinions on whether the factors always negative affect the financial performance of banks. Moreover, the percentage of people who answer that they strongly agree was 3%, while the percentage of people who agree was 1%, while the percentage of neutral people was 10%. As for The percentage of people who disagree was 37%, while the percentage of those who strongly disagree was 49%. Through the percentages, it is clear that there is not always a negative effect. Factors cannot always have a negative impact on financial performance. Sometimes they have a negative impact and sometimes they have a positive impact (Kagan, 2023)

Table 5

There are factors that direct affect financial performance

Options	Frequency	percentage
Strongly agree	88	42%
Agree	103	49%
Neutral	11	5%
Disagree	4	2%
Strongly disagree	4	2%

The table 5above shows people's opinions on whether there are factors that directly affect the financial performance of banks. Moreover, the percentage of people who answer that they strongly agree was 42%, while the percentage of people who agreed was 49%, while the percentage of neutral people was 5%. As for The percentage of people who disagree was 2%, while the percentage of those who strongly disagree was 2%. Through the percentages, it is clear that there are factors that directly affect financial performance. There are various factors that directly affect financial performance, such as debt, bad debts, liquidity, and net profit (Kenton, 2023).

Conclusions

Influencing factors affecting the financial performance

The researcher found that the financial sector is a large and important place, and that interest in this sector makes the country's economy continuously improve. In addition, any issue related to this sector must be taken care of. Therefore, the researcher analyzed the financial performance of Omani commercial banks (Bank Muscat, Dhofar , and Alizz Islamic Bank). The financial performance of these banks is analyzed through three things: the balance sheet, the income statement, and the financial flow statement. In addition, there are factors that affect the performance of these banks, such as liquidity, efficiency and loans. Studying the factors that affect these banks is extremely important to avoid risks to which they may be exposed, such as loss.

Impact of each factor affecting the financial performance.

The researcher found that there are many factors that affect financial performance, such as net interest margin, loan-to-deposit ratio, non-performing loans, capital efficiency ratio, debt-to-equity ratio, activity ratio, cash flow ratio, and cash coverage ratio. . These factors can have a positive or negative impact, so they must be studied, paid attention to, and worked to improve permanently. When these factors improve, this will reflect positively on the financial performance, and thus the financial performance becomes good and does not suffer from the risk of loss. In addition, studying and analyzing these factors and knowing their impact may be reflected in knowing how to improve and the extent of their impact on financial performance and the things that may happen as a result of the impact of these factors.

Financial indicators used to evaluate the financial performance

The researcher obtained many financial indicators, including the profit margin, the non-profit margin, the return on equity, the return on assets, the quick ratio, the current ratio, the debt ratio, and the working capital ratio. All of these indicators work to evaluate the financial performance, and therefore through these indicators the bank's financial position becomes clear, i.e. Whether the bank is in a good financial position and its financial performance is good, or is it in a bad position and its financial performance is bad, attention must be paid to these indicators.

Recommendations

Among the most important recommendation that the researcher put forward in her study to improve financial performance:

- **Identifying areas and areas for improvement:** Here the bank must improve areas such as investment areas and other areas that make revenues increase, and then the increase in revenues leads to improving the financial performance of commercial banks. This improvement makes the financial performance improve, and then the financial position of the bank becomes good and no loss or risk occurs.
- **Improvement in efficiency:** Improving efficiency leads to improving financial performance, meaning that if the bank provides highly efficient services in addition to improving previous services, this makes it distinctive and thus increases its profitability, and this reflects positively on it and makes it improve faster.
- **Creating a financial plan:** Establishing a financial plan is that the profits that the bank obtains are used in profitable investments, in addition to exploiting these funds in matters that bring profits to it and not wasting these funds.
- **Establish controls to improve financial performance** through internal control in addition to accounting, in addition to conducting continuous and periodic auditing.
- **Monitoring financial performance and the factors affecting it:** Monitoring financial performance and the factors affecting it is reflected positive in that it is possible to improve the influencing factors so that they do not negatively affect financial performance.

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