



EVALUATING THE PERFORMANCE OF BANKS AND THEIR ROLE IN PROMOTING SUSTAINABLE DEVELOPMENT

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Article history:	Abstract:
<p>Received: 17th January 2022 Accepted: 18th February 2022 Published: 30th March 2022</p>	<p>This study aims to determine the impact of using the performance appraisal approach for banks in promoting sustainable development, as this helps support investors' decisions to invest in these companies. The process of evaluating the performance of banks is of paramount importance that aims to achieve the best use of resources to reach the highest return with the lowest risk and the lowest possible cost, since the traditional systems used in evaluating banking performance are deficient and meet the requirements of performance evaluation and evaluation in contemporary banks, so it is necessary to resort to Banks evaluation methods are more useful.</p> <p>And the search reached Banks' lack of an internal audit division, which may lead to some errors and not being avoided during work, lack of staff in the investment department compared to the total owners of the banks subject to evaluation, which may lead to a lack of flow and ease of work in the aforementioned department, low percentage of investment department employees participating in courses Developmental.</p>

Keywords: Evaluating , performance, sustainable development.

INTRODUCTION:

Performance evaluation has gained the attention of researchers and specialists in various fields of business, and it has become a preoccupation for practitioners because it affects the health of the institution and thus its survival and continuity, in addition to the fact that performance reflects the effectiveness and efficiency of performance and the extent to which the institution's resources are utilized, as well as through which it is possible to identify competitiveness, work possibilities and management the economic interests of the enterprise , Performance evaluation is the act or implementation of a process, the fulfillment of a duty, or the accomplishment of an individual's work under the conditions of the test (Dickinson, 2008:12) , As for banking performance, the ability of banks to manage their money aimed at achieving multiple goals is determined, whether in terms of contributing to the development of the country's economy or achieving profits and growth, as well as in determining the financial, credit and investment position of the bank, management efficiency, money investment policies, and the ability to harmonize between the bank's objectives. In order to ensure efficiency and thus avoid losses and increase the ability to compete with local and foreign banks (Allen&parwada, 2004:1154).

Banking performance is the bank's ability to generate sustainable profitability (Fries,et.al., 2002:76), And the logical basis for performance evaluation is to diagnose the information contained in the financial statements to judge the amount of profits and their sustainability in the future, and the extent of the ability to pay the interests and outstanding debts and the sound dividend policy (Dufera,2010:6).

The performance highlights the efficiency by which banks convert their revenues into income that can be distributed to shareholders, which is a product of productivity, efficiency, effectiveness, sound administrative performance, governance, innovations and other external factors (Částek,2013:19).

METHODOLOGY:

This study aims to determine the impact of using the performance appraisal approach for banks in promoting sustainable development, as this helps support investors' decisions to invest in these companies.

The process of evaluating the performance of banks is of paramount importance that aims to achieve the best use of resources to reach the highest return with the lowest risk and the lowest possible cost, since the traditional systems used in evaluating banking performance are deficient and meet the requirements



of performance evaluation and evaluation in contemporary banks, so it is necessary to resort to Banks evaluation methods are more useful.

Therefore, the research was based on the hypothesis that changing the evaluation methods leads to more beneficial results for senior management, such as relying on the management and use of human resources and the management and use of financial resources. This hypothesis has been proven in the implementation side.

IMPLEMENTATION:

B. Efficient use of service delivery requirements

First: the management and use of human resources

(1) Eternal Employees

Our study of the indicators of the owners of the investment department compared to the total owners of Bank, the subject of evaluation, showed the small number of employees in the credit department compared to the total number of branch owners, and the table (1) below shows this

the year	Total Affiliate	Investment department employees	evolution rate
2017	103	8	%7.5
2018	101	7	%7
2019	102	2	%2

(2) Training and development

First: The percentage of employees who participated in training courses compared to the owners of the investment department for the evaluation years was (zero) for Bank, and the table (2) below shows that:

the year	Investment department staff	trained investment personnel	evolution rate%
2017	2	-	0
2018	2	-	0
2019	2	-	0

Second: Management and use of financial resources

(1) By studying the volume of credit facilities for each type and noting their development during the evaluation years, we noticed a decrease in the volume of exploited facilities (overdraft, for bills of exchange) compared to the decision and the table (3) below shows this:-

the year	chart	user	%
2017	405 800	79 400	20
2018	491 100	193 064	38



2019	874 300	209 114	24
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(2) Below table (4) is the total amounts deposited to the branches of banks during the calendar years:

Year	Current Account	Savings Account	Fixed Deposits	Total
2017	64 896 738	47 725 030	1 534 918	156 666 144
2018	134 480 120	46 018 547	1 451 430	950 097 181
2019	95 454 747	53 164 744	1 655 674	275 166 150

(3) The percentage of funds (facilities) from fixed deposit balances, current and savings accounts at Bank branches during the evaluation years mentioned in paragraph (2) above (6%,26%) for Bank , where it was found that the percentage of employment Funds are low for Bank, during the calendar years, and the table (5) below shows this:

the year	Total deposits / thousand dinars	Total user / thousand dinars	ratio
2017	114 156 666	6 873 834	%6
2018	181 950 097	48 454 939	%26
2019	150 275 166	0	

(4) The percentage of collection of advances to the bank branch until 31/12/2011 out of the total advances granted amounted to (278%), and the table (6) below illustrates this.

the year	The advances granted / thousand dinars	Remaining advances / thousand dinars
2017	-	5 419 381
2018	37 074 000	5 020 570
2019	198 254 538	8 958 034 467

(5) The percentage of obtaining loan amounts for the bank branch until 31/12/2011 out of the total loans granted was (31%), and the table (7) below shows that..

the year	Granted loans dinars(1)	repaid loans(2)	Remaining loans (3)	The ratio % (2/1)
2017	6 709 000	1 989 184	11 261 640	
2018	11 672 390	1 670 941	21 263 089	
2019	12 352 034	5 858 855	29 793 397	
total	30 733 424	9 518 980	62 318 126	%31

CONCLUSION:

Through the foregoing analysis of information and data on the banking activity of each of the following conclusions were reached:-

Banks' lack of an internal audit division, which may lead to some errors and not being avoided during work, lack of staff in the investment department compared to the total owners of the banks subject to

evaluation, which may lead to a lack of flow and ease of work in the aforementioned department, low percentage of investment department employees participating in courses Developmental, which may reflect negatively on the efficiency and ability of the employees in the aforementioned department, the reluctance of many customers to use the facilities assigned to them, the presence of fluctuation in the



amounts of granting advances and loans during the evaluation years, in addition to the fact that the percentage of collecting the installments due to advances and loans is low compared to the amount granted banks during calendar years.

RECOMMENDATIONS

The necessity for banks to pay sufficient attention to the Audit Division and to provide it with experienced and qualified employees to audit all banking activities, to provide the banks to the Investment Department with efficient and good cadres for the purpose of upgrading banking work and achieving the desired goals, raising the efficiency of workers in the Investment Department by involving them in specialized courses in the field of investment to help To raise their productivity, seek to activate the cash credit activity by increasing grants for (loans, bills of exchange, advances..etc) to achieve the objectives pursued by the bank, follow up on obtaining the installments for advances and loans to provide cash liquidity to the banks, reconsider the pledge credit in a way that achieves the goals Required banking and activating the necessary procedures to increase the opening of documentary credits, which has a significant impact on cash liquidity, working to raise the rate of developing fixed deposits by increasing the number of open deposits with banks, striving to increase the rate of employment of funds available to the bank to benefit from the movement of interest rates in investing these funds in support To develop the movement of the market and the economy, mechanization of the activities of the investment department for the purpose of benefiting from the devices of A computer available at banks in order to extract detailed data with the required accuracy and speed.

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