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The Role of Banking Secrecy in Improving Banking Performance

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Abstract

The purpose of this study is to seek to identify the role of banking secrecy in improving banking performance, and to propose new mechanisms aimed at overcoming obstacles that stand in the way of developing banking performance and working to improve the performance of banks under study.

The research included quantitative analysis of data related to six commercial banks in the South of Iraq. The study sample included a group of 50 employees in these banks. The analysis is based on a solid base that sought to uncover the practices of these Banks in how to improve their banking process. The study sought to test several hypotheses related to the influencing relationships between the study variables represented in banking secrecy and banking performance. The data were processed through statistical methods using the statistical program (SPSS).

The results of the statistical analysis of the data collected through the questionnaire tool prepared for this purpose showed that the necessity of applying the secrecy to achieve the goals of the banks under study.

Keywords: banking secrecy, banking performance, commercial banks.

1- Introduction

One of the important foundations and principles on which a good banking sector is based is banking secrecy, which is the subject of our research, as banking norms and traditions and laws have been keen since the beginning of banking business on the principle of banking secrecy, which has become one of the basic pillars on which banking is based. The secrecy of banking operations is one of the basics of banking work all over the world.

Banking secrecy is a feature of the banking business because the bank's relationship with customers is based on the trust that is based on the bank's concealment of its customers 'financial secrets. Banking secrecy is of great importance in preserving local capital and working to increase the volume of deposits with banks and increase investments, due to the great protection that banking secrecy provides to investors and depositors as it works to preserve customer secrets and not disclose them to others, which increases confidence and confidence in them. Most banks have maintained very high capital ratios that exceed the limited ratios in international standards, which greatly reduced the exposure of these banks to risks. Bankruptcy due to its adherence to the principle of banking secrecy.

The main problem of the research is the lack of sufficient awareness of the employees of Iraqi banks and the supervisory authorities of banking secrecy, which was reflected in the performance of banks concerning the procedures that must be taken by them to adhere to banking secrecy, in addition to that it is noticed that there are no standard procedures that can be adopted by Iraqi banks

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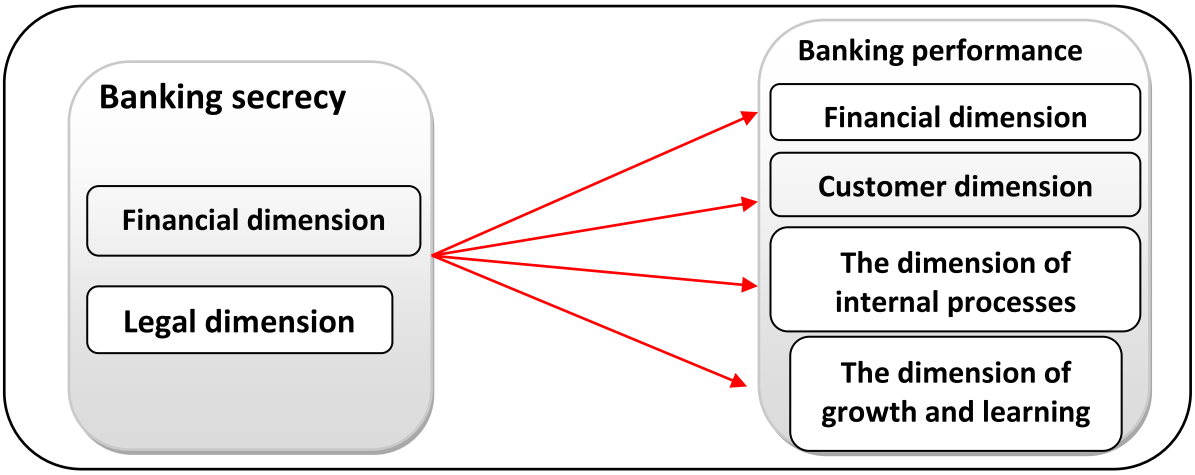
as instructions issued by A competent body or even set up by the banks themselves. Addressing that problem in following banks 'application of the principle of banking secrecy, which leads to an increase in the volume of deposits, which leads to an increase in the proportion of investments of these banks and to improve their performance.
The research aims to identify the nature of banking secrecy and to shed light on how the Iraqi legislator has dealt with it through identifying and clarifying the legal articles related to banking secrecy, knowing the extent of Iraqi commercial banks 'commitment to procedures that maintain banking secrecy in a way that helps the concerned bankers or current clients. And expected to be more aware and familiar with the subject of banking secrecy.
Banking secrecy is a feature of the banking business, which is entrusted with the secrets of its clients. Because the relationship between the customer and the bank is based on the trust established by the bank's secrecy of its customers 'financial secrets. Banking secrecy is of great importance in preserving local capital and increasing investments, due to the great protection provided by banking secrecy to investors as it works to preserve customer's secrets and not to disclose them. It is used by others, which increases the confidence and confidence of customers, as bank secrecy increases the volume of deposits with banks. From here stems the importance of research to clarify that banking secrecy laws do not stand in the way of combating money laundering, and the high volume of foreign deposits may be an indication of the importance of banking secrecy.

1-1 Hypothesis diagram



2- There is a statistically significant effect of banking secrecy on the banking performance of the commercial banks studied.

1-2 Population and sample study

The Iraqi commercial banking sector in the south was chosen to be a community to test the model and hypotheses of the study as one of the sectors that witnessed a somewhat remarkable decline in performance levels, and this decline increased at present, which reflected negatively on the needs of society as a whole for

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banking services in all fields The justifications for testing the banks are under discussion, and justifications can be formulated such as:

1. Selecting the private commercial banking sector as a field for applying the study, because this sector is of great importance in the national economy.
2. The bank test was approved according to the nature of the study, the available capabilities, and the extent of cooperation between the sent banks and the researchers, and based on the results of the field survey that included personal interviews with some officials in commercial banks, and what was mentioned in the reports and periodicals issued by them.
3. The selected banks are characterized by being the most active, and their branches are widely spread in the governorates of Iraq.

The study population was represented by the commercial banks in Basra Governorate.

Table (1) research sample banks

No	Name of the bank	main address	year of Establishment	number of branches	number of employees	capital (billion dinars)	date of listing in the financial market
1	Bank of Baghdad	Baghdad Al-Hamra	1995	26	764	250	**1983**
2	Al-Mansour Bank	Baghdad / Karrada	2005	9	243	250	**1997**
3	Gulf Bank	Baghdad / Saadoun	1999	20	297	300	**2004**
4	Assyria International Bank	Baghdad / Karrada	2005	9	198	264	**2007**
5	Development Bank for Investment	Baghdad / Karrada	2011	8	274	250	**2017**
6	Iraqi Investment Bank billion	Baghdad / Al-Alwiya	1993	16	247	250	**2004**

Source: Prepared by researchers

Methods of information gathering, measurement, and analysis

(1) Conducting validity tests using factor analysis, and reliability testing through ((Cronbach's Alpha.

(2) The normal distribution using statistical methods by (SPSS.v23) program.

(3) Descriptive statistics using (the arithmetic mean, standard deviation, and relative importance).

2- Theoretical study

2-1: Banking secrecy

The concept of bank secrecy

Banking secrecy is valuable national wealth for the national economy. It is one of the most important principles on which banking is based, as it transmits

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confidence and reassurance to those with capital on the secrecy of their banking business and all information related to their wealth. Capital, capital, and foreign investments will then be reflected in their positive effects on the national economy, and to achieve this, legal protection for banking secrecy should be achieved and activated to ensure income, security, and investment for all customers who deal with banks (Al-Hamouri, 2001, 1).

Table (2) illustrates some of the concepts of banking secrecy as reported by the authors and researchers:

No	Writer	Year	Page	Defining Banking Secrecy
1	Bozero	2004	136	The duty incumbent on the bank not to disclose the secrets it acquired as a result of its job, by clear legal provisions imposing secrecy and penalizing disclosure.
2	AL-Utair	1996	14	The commitment of bank employees to preserve the secrets of their customers (banks) and not disclose them to others, as the bank is a trustee of them under their profession, especially since the bank's relationship with its customers is based on trust that is based on the bank's concealment of its customers 'financial secrets.
3	Vogler	2006	5	Because it depends on the relationship of trust between banks and their customers, which has been strengthened over time and has become an unwritten rule requiring secrecy, as is the case in other professions such as medicine and law.

Source: Prepared by researchers

2-2: Dimensions of banking secrecy

1- Financial dimension

It is one of the most popular performance measurement tools common in organizations by comparing the organization's performance in its financial position during successive times to clarify the reality of the organization's financial position, evaluate and determine performance trends, and predict the future. Among the most important indicators that measure financial performance is a return on investment, return on Equity, Return on Equity, and Market Share (Fino, 2015: 67).

2- The legal dimension

Secrecy banking operations from a legal standpoint is one of the foundations of banking work in all parts of the world, and it is one of the established principles in the banking tradition since the inception of banks. Under this principle, the bank is obligated to preserve the confidentiality of the customer's business, and this includes invoking the confidentiality of the customer's accounts and all financial activities related to these accounts, in the face of attempts to access them, whether by persons or public agencies unless there is a legal text or agreement to the contrary. . Since the beginning of banking business, banking customs and traditions and laws have been keen on the principle of banking secrecy, which has become one of the basic pillars on which banking is based. The banking secret includes information and data related to customers' accounts and safes, their trusts, and their deposits in banks, as well as the transactions related to them, regardless of the manner or means by which this data or

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information reached the bank. Confidentiality includes all information and data whether it was acquired by this bank from others, or if the customer provided it to the bank (Al-Qailoubi, 1992, 2). Keeping the news in its confidential capacity even if more than one person knows it, provided that the number of people aware of it is limited and there is no limit. Specific to the number of persons whose knowledge is kept confidential (Al-Saffar, 2012: 32) that concealment, concealment, and non-publicity, especially in the legal concept and in a manner that makes it far from the knowledge and observation of others who may be affected by the act, event or thing that is the subject of you (Abdul Qadir, 2013: 13).

2-3: Banking performance

The concept of performance is one of the important concepts for commercial banks in general, as though a complete and comprehensive picture can be given about the functioning of organizations' activities and work at the level of the internal and external environment, in addition to that, banking performance is the main axis around which the efforts of all banks focus their efforts that strive hard to perform their functions efficiently and effectively, therefore, the evaluation of the banking performance is through which the strengths and weaknesses of the bank's performance are identified, and the banking financial performance indicates the suitability of a financial organization and the provision of information to beneficiaries, shareholders, owners, employees, depositors, other creditors and borrowers (Ngoc,39: 2015).Table (3) illustrates some of the concepts of banking performance as reported by the authors and researchers:

No	Writer	Year	Page	Definition of Banking Performance
1	Singh	2018	20	The achievement of a specific task that was measured according to known standards of accuracy, efficiency, and speed, and in the contract the performance is considered to be the fulfillment of the specified obligations.
2	Issa	2019	90	The reflective mirror of the activities and achievements of the organization, as it is the results of the overall activity practiced by the organization and determines the level of its achievement and the extent of its exploitation of its resources, as it is referred to as the ability of the organization to achieve its tasks.
3	lorrino	1996	48	An important tool to make organizations more competitive with each other in the market, and it is a compass that indicates the trends of improvement required in the activity of the organization's operations for its general objectives through knowledge of verifying the actual indicators and comparing them with the targeted indicators for a certain period.
4	Charity	2012	11	It is a process by which strengths and weaknesses are identified, monitored, measured, recorded, and developed.

Source: Prepared by researchers

2-4: Dimensions of banking performance

1- The financial dimension: This axis determines the financial measures of the economic results of the actions taken by the organization and focuses on measures related to profitability in which shareholders achieve the profitability of their investments. Therefore, under this axis, managers must develop appropriate

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procedures to achieve financial success, (Abofaied, 2017: 5) focuses on measuring the banking performance in the short term, showing the results of events and decisions that are taken, not the causes and drivers of these results, the objectives that it achieves clarify the study of the financial aspect in achieving the goal of survival and continuation of the bank, and the deficiencies resulting from the use of certain financial policies and decisions In the bank, to achieve the goal of the bank's ability to grow and innovate, to achieve the goal of ensuring the extent to which the bank uses financial resources in the most effective way possible (Al-Amry, 2009, p. 18)

2- The customer axis: This axis provides a presentation of how customers have perceived the organization, and the customer's perspective must be considered the central element in the business strategy. It provides a mixture of the relationship between services, price, and the image that the bank provides to its customers. From this perspective, the bank must prove how It distinguishes itself from the rest of the competing banks by maintaining the relationship with its target customers, attracting and maintaining them. Therefore, managers must put in place procedures to achieve a vision of how it appears to its customers, and among the most important indicators that represent this axis is increasing the market share, increasing customer retention and gaining new customers, and increasing customer satisfaction (Moneim, et al, 2017: 153) The customer perspective defines the value that the bank will adopt to satisfy customers and generate the sales required by the largest number of customers, i.e. the most profitable (Abaad 2009: 40,) and measurement indicators related to the customer and markets, such as customer satisfaction, Number of customer complaints, customer retention, market growth rate, and market share (Chi & Hung, 2011: 226)

3- The internal operations dimension: This dimension provides the organization with all how it can achieve expectations of banking performance, and this perspective refers to the internal operations of the bank, and therefore managers are required to provide the necessary procedures that satisfy customers and shareholders, and what are the processes in which they must excel. The main topic of this axis is the results of internal processes that lead to financial success and customer satisfaction, and measures of this perspective are usually based on the production of goods and services most efficiently and effectively, and among the indicators used in this dimension is the process of innovation and process treatment (Jahantigh, et. al., 2018: 227).

It is concerned with the processes that create and advance customer value because it focuses on all the basic processes that enable the bank to achieve distinction and provide the expected value by the customers abundantly and efficiently, these can include both short and long-term goals in a good way, developing innovation processes, to stimulate improvement of operations. To determine the metrics that are compatible with the perspective of internal operations, Kaplan and Norton suggest using clusters that combine similar values in bank operations. Clusters for the internal operations perspective are operations

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management through improved use of assets, supply chain management ... etc. (and customer management) by expanding and deepening relationships. And innovation, introducing new products and services, and organizational and social relationships through establishing good relationships with external stakeholders (Abaad, 2009: 227).

4- Learning and growth axis: Within the framework of this axis, managers must define procedures that achieve a vision that how we will maintain our ability to change and continuous improvement, this axis is linked to the employees of the organization mainly and measures the extent to which the organization is making efforts to provide its employees with opportunities to learn, grow and develop in In their fields, learning and growth measures are the most difficult to choose, so the capabilities that the organization needs for its employees to create, grow and improve in the long term should be encouraged, and among the most important indicators that measure this axis are the increase in the capabilities of employees and the increase in motivation, empowerment, and alignment of the employee. (Paturusi & Sumarwan, 2018:52).

This dimension represents the basic and important structure for the bank's success as it works to create the climate and raise the level of skills and competencies of the broad base of the bank's employees so that it can deal with the modernization and development processes that can take place in the internal operations (Yusuf, 2005: 141). The learning and growth perspective on the intangible assets of the organization and mainly on the internal skills and capabilities required to create value for the bank, and is concerned with human capital, informational capital, and organizational processes (Ba-Abaad: 2009: 40). Measuring indicators relate to the long-term growth of the organization through the development of manpower, the organization's systems and programs, motivating the potential of workers, activating the efficiency of the information system, activating the authority Responsibility, incentives, keeping the turnover of work, and employee satisfaction 226 (2011, Chi & Hung).

3: Results and Discussion

In this study, the information resulting from the analysis of the data collected will be interpreted using the questionnaire form designed in light of the five-year record scale, where the highest weight on the scale equal to the degree (5) is placed to represent the answer field (completely agree), while placing the lowest weight on the scale equal to the degree (1) To represent the field of the answer (not completely agree), where a random sample of (50) respondents was selected to present and analyze the responses of the sample members and their perceptions of the study variables and their sub-dimensions and test the study hypotheses using descriptive and inferential statistical methods.

3-1: The validity test of the scale (reliability and validity):

The reliability test was carried out by Fakronbach method and the method (half-segmentation) to know the stability value of the resolution (scale), which means the stability of the results obtained (that the scale gives the same results if it is re-applied). It is calculated by taking the square root of the reliability coefficient, to

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find out the validity of the scale, which means whether the scale measures what it is designed to measure (the extent to which the test represents the behavior to be represented).Table (4) shows the values of the reliability and validity coefficients Source: Preparation of researchers depending on the outputs of the (SPSS program. v25)

Scale validity	Vackronbach	Halftone hash
Stability	0.72	0.77
Honesty	0.85	0.88

It is evident from the values of the stability coefficients above that all of them are greater than (0.67) and therefore the scale is characterized by high stability and the values of the self-validity coefficient were high and close to the correct one, which indicates that the scale is characterized by acceptable validity and stability and is suitable for relying on the outputs obtained from it.

3-2: Characteristics of the research sample (identifying information)

In this paragraph, we show the characteristics of the definitive research sample that include (gender, age, years of employment service, academic achievement) as shown in Table (5):

Identification Information	Categories	Frequency	Percentage
Gender	Male	25	50%
	Female	25	50%
Total		**50**	**100%**
Years of service in the job	5 years or less	11	22%
	From 6 to 10 years	14	28%
	From 11 to 15 years	12	24%
	More than 15 years	13	26%
Total		**50**	**100%**
Age	20 to 30 years	14	28%
	31 to 40 years	10	20%
	41 to 50 years	16	32%
	More than 50 years	10	20%
Total		**50**	**100%**
Academic Level	middle school and below	9	18%
	Technical Diploma	14	28%
	Bachelor	13	26%
	Postgraduate certificates	14	28%
Total		**50**	**100%**

Source: Preparation of researchers depending on the outputs of the (SPSS program. v25).

Through the above table it becomes evident that the characteristics of the research sample were representative of the two groups of males and females at equal rates (50%) for each of them, while the years of service in the position were close to all groups, which means that there are various experiences of the banks researched within the selected sample and that the selected sample covers all experiences ((Beginner, Intermediate, and Expert) If the number of years of service is used as a criterion for experience, it is also evident that the ages of the selected study sample were medium and close to all groups. As for academic achievement, the highest percentage of holders of higher degrees and diplomas

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was equally (28%), followed by the percentage of holders of a bachelor's degree was (62%), while the lowest percentage was representative of those holding a high school diploma or less.

3-3: Trends in the responses of the sample members about the study variables and their sub-dimensions:

In order to know the attitudes of the sample members about the research variables and their sub-dimensions, the researchers used for this purpose the weighted arithmetic means, standard deviations, and the relative importance (agreement percentage) and the (t) test for one sample by adopting the test standard represented by the hypothetical arithmetic mean of (3) as the mean of the measurement tool in order to measure and evaluate the score Obtained and related to the responses of the study sample individuals, for the purpose of identifying the extent of harmony and consensus in the sample opinions and their perceptions of the study variables in general, as follows:

3-3-1 Perceptions of the sample members of the independent variable (banking secrecy)

The variable of banking secrecy consists of two dimensions (financial and legal). The results of the questionnaire were after using statistical methods to describe the trend of the sample members about the independent variable and its dimensions, as shown in the following table:

Table (6): the responses of the sample members and their perceptions about (banking secrecy) and its dimensions

Dimensions	Arithmetic mean	Standard deviation	Ratio of agreement	Test value (t)
Financial	4.01	0.51	80.2%	13.89 *
legal	3.86	0.49	77.2%	12.33 *
X: Banking Secrecy	3.94	0.42	78.8%	15.87 *
The sign (*) indicates that the test value is significant, assuming a significant level of (0.01), meaning that the (P_value) value is less than (0.01).				

Source: Preparation of researchers depending on the outputs of the (SPSS program. v25).

It is evident from the above table that the percentage of agreement of the study sample is close to the dimensions of the variable of banking secrecy, and it is arranged according to the importance of the sample members (the financial dimension, the legal dimension) respectively, where the agreement percentage (the relative importance) of the financial dimension is equal to (80.2%) and the dimension The legal (77.2%) is good agreement ratios, and a (t) test was performed to test whether the value of the arithmetic mean differs from (greater than) the hypothesis of (3) or not. The hypothetical mean and the test took place, and the values of the arithmetic mean of the banking secrecy variable and its dimensions indicate an agreed direction when they are classified on the five-gradient lekard scale and that their answer is homogeneous on these dimensions. This is evident from the small standard deviation value, as all dimensions and the total variable were less than the correct one.

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3-3-2 Perceptions of the sample members of the dependent variable (banking performance)

The confidentiality variable consists of banking performance of four dimensions (financial, clients, internal operations, growth, and learning). The results of the questionnaire were after using statistical methods to describe the trend of the sample members about the dependent variable and its dimensions, as shown in the following table:

Table (7): the respondents of the sample and their perceptions of (banking performance) and its dimensions

Dimensions	Arithmetic mean	Standard deviation	Ratio of agreement	Test value (t)
Financial	4.11	0.66	82.2%	11.91 *
Customers	4.13	0.57	82.6%	14.08 *
Internal operations	3.89	0.49	77.8%	12.83 *
Growth and Learning	4.01	0.69	80.2%	10.29 *
Y: banking performance	4.03	0.42	80.6%	17.47 *
The sign (*) indicates that the test value is significant, assuming a significant level of (0.01), meaning that the (P_value) value is less than (0.01).				

Source: Preparation of researchers depending on the outputs of the (SPSS program. v25).

It is evident from the above table that the percentage of agreement of the study sample is close to the dimensions of the variable of banking performance, and is arranged according to importance among the sample members (clients, financial, growth and learning, internal operations) respectively, where the percentage of agreement (relative importance) of these dimensions was in the range (77.8% - 82.6%), which are good agreement ratios, and a (t) test was performed to test whether the value of the arithmetic mean differs from (greater than) the hypothetical mean of (3) or not. From the hypothetical mean and the test took place, and the values of the arithmetic means of the banking performance variable and their dimensions indicate an agreed direction when they are classified on the five-gradient lekrad scale, and their answer is homogeneous on these dimensions, and this is evident from the small standard deviation value, where all dimensions and the total variable were less than the correct one.

Fourth: Measuring, testing, and analyzing the correlation and impact relationships between the study variables (testing the study hypotheses)

To test the hypotheses of the study, the researchers used inferential statistics methods (normal distribution test, linear correlation, Pearson's coefficient, simple linear regression), as follows:

1. The Normal distribution test:

The conduct of statistical analysis of the data requires the availability of certain conditions, the most important of which is the normal distribution of the data. The data do not follow a normal distribution, and as shown below:

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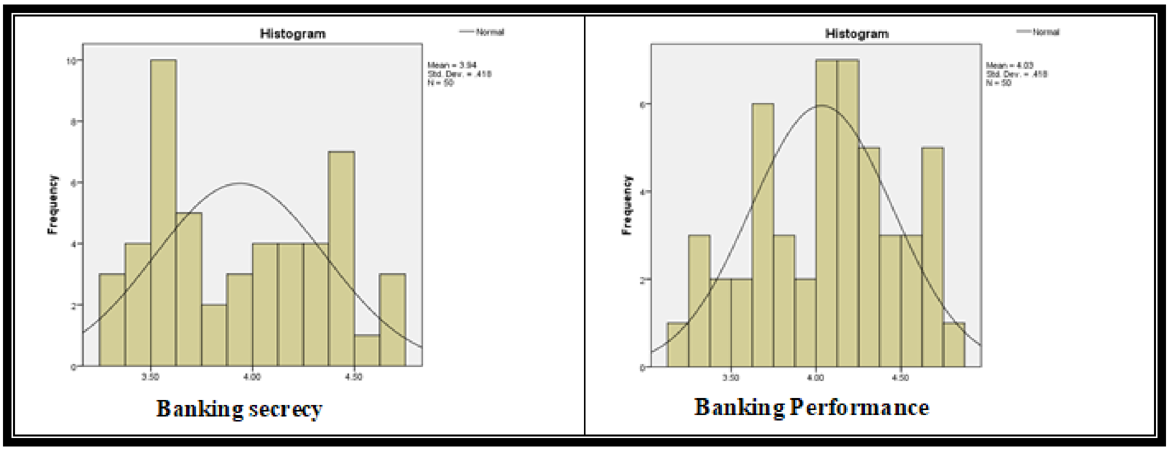
Table (8): the results of the Kolmicrove- Smernov test (K-S) and the Shapiro-Wilk test (S-W) for the normal distribution

variable	degree of freedom	Kolmicrove_Smernoff test (K-S)	Shapiro_Wellk test (S-W)
X: Banking secrecy	50	0.16 *	0.94*
Y: banking performance		0.09 **	0.97 **
The sign (*) indicates that the test value is significant, assuming the level of significance (50.0), meaning that the value (P_value) is greater than (50.0). While the sign (**) indicates that the test value is significant, assuming the level of significance (0.01), meaning that the (P_value) value is greater than (0.01).			

Source: Preparation of researchers depending on the outputs of the (SPSS program. v25).

From the above table, it becomes clear that the independent variable (banking secrecy) and the dependent variable (banking performance) follow the normal distribution where the null hypothesis is accepted, which indicates that the data follow the normal distribution where the value of (P-value) for the two tests above is greater than (0.05) and the histogram is below. The curve of the normal distribution of the two variables shows:



2. Test for the existence of a correlation between the researches variables:

To test the first hypothesis, the correlation matrix between the variable (banking secrecy) and the variable (banking performance) was calculated, as in the correlation matrix below:

Table (9) Matrix of correlation coefficients (Pearson) between the research variables.

X / Y	Y banking performance	(P_value)
X: Banking secrecy	0.60 **	0
The sign (**) above the value of the correlation coefficient indicates that the correlation is significant (statistically significant), assuming a significant level of (0.01), that is, (P_value) of (t) test is less than (0.01).		

Source: Preparation of researchers depending on the outputs of the (SPSS program. v25).

The correlation coefficient between the variable (banking secrecy) and variable (banking performance) reached (0.60), which is a mean direct correlation that is

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statistically significant below the level of significance (0.01). This leads us to accept the first hypothesis which states: There is a statistically significant correlation relationship between secrecy Banking and banking performance in commercial banks.

3. Test the presence of an effect of the independent variable (banking secrecy) in the approved variable (banking performance):

To test the second hypothesis, a simple linear regression analysis was used by calculating the values of (F) for the effect of the independent variable (banking secrecy) in the dependent variable (banking performance), where through the value of (P_value) associated with the calculated (F) value inferring the presence of a significant effect Whether or not for the independent variable in the dependent variable, as in the table below:

Table (10): F-test values, coefficient of determination (R2), and regression coefficients

Y banking performance						
Δ X ⟶ Y	Computed value (F)	The determination coefficient (R^2)	Regression constant (A)	Value (t) Regression constant (A	Regression coefficient (B)	Value (t) Regression coefficient (B)
X: Banking secrecy	27 **	36%	1.67	3.64 **	0.6	5.19 **
The sign (**) with the highest value of (F) indicates that the effect is significant (statistically significant), assuming a significant level (0.01), meaning that (P_value) is less than (0.01), while the sign (**) indicates that the highest values of (t) indicate The values of the regression parameters are statistically significant.						

The significance of the regression model is tested through the value of (F), while the value of the coefficient of determination (R^2) represents the explanatory power of the independent variable for the changes that occur in the dependent variable.

Source: Preparation of researchers depending on the outputs of the (SPSS program. v25).

It is evident from the above table that there is a significant effect (statistically significant) below the level of significance (0.01) of the bank secrecy variable in the variable of banking performance where the value of (P_value) associated with the value of (F) calculated is less than (0.01), and that the independent variable banking secrecy explains about (0.01) 36%) of the changes that occur in the banking performance and that the remainder is due to other variables and the random error factor, thus indicating that the variable of banking secrecy has a statistical effect on banking performance, which means accepting the second hypothesis which states: There is a statistically significant effect of banking secrecy In the banking performance of the commercial banks searched.

And the equation for the regression of the dependent variable (banking performance) on the independent variable (banking secrecy), which was equal to (X0.6 +1.67 = Y), and indicates that if the banking secrecy changes by one unit, the banking performance will increase by (0.6), In the absence of banking secrecy, i.e. equal to zero, the banking performance will decrease to (1.67), and

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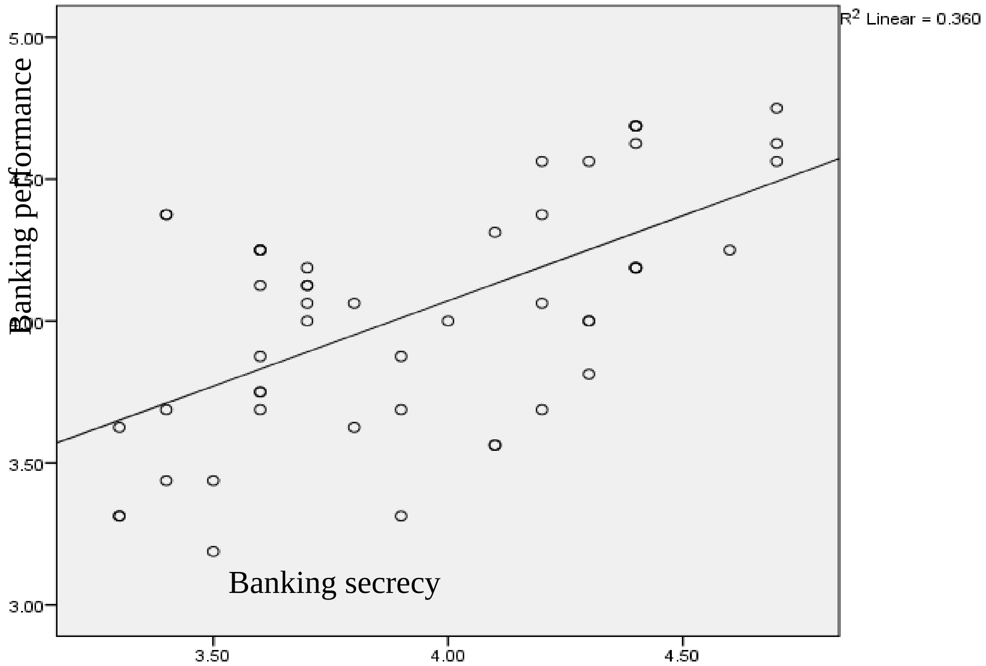
the following figure shows the regression line estimated by the method of least squares and the value of the determining factor.



4: Conclusions

1- The awareness and training of bank employees and supervisory authorities regarding banking secrecy are very little, which has led to a lack of sufficient awareness regarding the principle of banking secrecy or the measures to be taken to maintain bank secrecy or the effects of violating it.

2- All bank employees have to maintain banking secrecy

3- The application of the duty of preserving the secrets of the clients, so that its benefit is not only for the customer but for the bank and the customer together.

4 - The application of banking secrecy by bank employees has a role in improving banking performance by increasing the volume of deposits and increasing the amount of money.

5- Most of the banks maintained very high capital ratios that exceeded the limited ratios in international standards, which greatly reduced the exposure of these banks to bankruptcy risks due to their adherence to the principle of banking secrecy.

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Appendix

Questionnaire
Ladies / Gentlemen ....

Subject / questionnaire form

Peace, mercy, and blessings of God.........

We put in your hands a tool for measuring the variables approved for the completion of our study marked.

(The role of banking secrecy in improving banking performance - an analytical study on the opinions of a sample of leaders in commercial banks in Basra Governorate), which is part of the research study, and your bank was elected as a field to test the model and hypotheses of the study as it is one of the important banks in supporting the construction movement and sustainable development in our country Dear ……… We hope for your cooperation with us in answering all the paragraphs of the form based on your experience and your firm knowledge of the reality of the work and its details, as neglecting one of the paragraphs necessarily means that the form is not valid for statistical analysis, which will negatively affect the accuracy of measuring the variables adopted in the study with the show that the form is intended for scientific research Exclusively.

Sundus Hamid Musa Al-Badri *Haidar Jerry Mohsen Al-Fraji*

A1- Personal data

(1) Gender ( ) Male ( ) Female

(2) Years of functional service ( ) 5 years or less ( ) from 6 to 10 ( ) from 11 to 15 ( ) over 15

(3) Age ( ) 20 to 30 years, ( ) from 31 to 40 years old
( ) 41 to 50 ( ) from 50 years and over

(4) Academic achievement
Junior high and below ( ) technical diploma ( ) bachelor's ( ) graduate degrees ( )

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2- Study variables:

Banking secrecy:
It is the basis of the relationship between banks and their customers, as it is not permissible to disclose their accounts and transactions.

No.	paragraphs	response				
		Totally agree	agreed	neutral	do not agree	don't completely agree
First: The financial dimension: The financial dimension represents the amount of future strategic profitability by reducing costs and increasing the bank's competitiveness and growth in front of other banks. Operations are the basis for this axis.						
1	1 Banking secrecy aims to achieve economic results in various directions, the most important of which is to encourage saving. And investment and bring in capital.					
2	Banking secrecy is an essential component of the investment climate within the bank.					
3	Banking secrecy requires that no one knows about the secrets of the bank's customers, except for the people whose nature of work so requires.					
4	The bank has developed procedures and instructions designed to clarify how to adhere to banking secrecy based on what is found in Iraqi laws.					
5	The bank performs a special treatment for the paper waste of the bank's departments that may contain important or confidential information					
Second: The legal dimension: The set of legislative and legal rules that are associated with finance.						
6	The manager's responsibility to clarify the procedures that may be inflicted on the employee in case he breaches his obligations, including banking secrecy.					
7	The bank has the right to disclose customer accounts according to a court ruling.					
8	The bank shall provide a safe and confidential environment in all banking channels to ensure that the confidentiality of customer data is maintained when carrying out banking operations.					

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9	The bank has appropriate business procedures and effective control systems to protect customer data and discover and address violations that have occurred or are expected to occur.					
10	The bank's employees sign the Confidentiality Preservation Form.					

Please mark a sign (√) in front of the paragraph and below the degree that reflects the extent of agreement with the level of adoption by the researched bank the following tracks:

Concerning the paragraphs of the independent variable (banking secrecy), the two researchers dealt with the dimensions, relying on theoretical literature in formulating the questions of those paragraphs.

A3- Banking Performance:

It is the achievement of the objectives set by the bank within the agreed time and at the lowest possible costs with the use of available resources.

Please mark a sign (√) in front of the paragraph and below the degree that reflects the extent of agreement with the level of adoption by the researched bank the following tracks:

No.	**paragraphs**	**response**				
		Totally agree	agreed	neutral	do not agree	don't completely agree
First: the financial dimension: for financial success						
11	Our bank is keen to increase the growth in annual returns.					
12	Our bank has achieved high rates of annual net profit					
13	Our bank seeks to achieve growth in its services provided to customers.					
14	Our bank focuses on adopting a strategic cost reduction in providing its services.					
Second: The customer dimension: How can customer satisfaction be achieved?						
15	Clients are satisfied with the high-quality services.					
16	The Marketing department has the scientific skills and abilities that help them gain new customers.					
17	Our bank clarifies to its customers the services it wishes to provide in advance to keep them.					
18	Our bank has perceptions and information about the degree of satisfaction of our customers regarding our services provided.					

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Third: After internal operations: What are the internal business needs to satisfy the needs of customers?						
19	Our bank provides services that meet customers' needs and exceed their expectations.					
20	Our bank operates at high levels of performance					
21	Our bank focuses on using the latest technology in its work					
22	The quality of services provided by our bank is proportional to the cost					
Fourth: After learning and growth: How can the bank continue to improve and create value?						
23	There is an appropriate number of employees who possess practical and useful experiences of work.					
24	Our bank provides various training programs to develop employees' skills.					
25	Our bank creates a regulatory environment that supports and encourages creativity					
26	The percentage of workers who leave work and move to other banks decreases					

The sources approved for developing this part of the questionnaire:

Al-Hadrawi, Rafid Hamid, Al-Zuhairi, Marwa Abdul-Karim (Using intuition in formulating a strategic map by focusing on the credit card) _ Analytical study in some Al-Rafidain Bank branches in Najaf Governorate, Al-Ghari Economic and Administrative Sciences.