



Examination of Denison's organizational culture Model

A comparative study

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Abstract

Nowadays, the development of mass media, the progress of technology, the rapid increase of competition in the national and international arena affect the policies and practices of the organizations. All of these factors have centralized values in some aspects of organizations' living spaces. At the beginning of these events is the concept of organizational culture, which represents the ecological balance and is seen as a living space. Organizational culture determines the organization's perception of itself and the external world. This form of perception leads him to the future by directing his actions. In terms of organizations, the culture that is so important must be understandable by the employees and be applicable to the managers. This study aims to reveal the Denison Organizational Culture Model in a holistic approach considering four main dimensions that include, involvement, consistency, mission, and Adaptivity. In addition, an empirical research has been carried out in the communication, textile and chemical sectors with the aim of seeing whether this work is different in the sectoral sense.

The findings indicate that employees understand the relationship between their tasks and the goals of the organization, and that the majority of employees are integrated with the work they do. It is seen that the employees have adopted the goals of the organization and carried out the work they have done towards this goal. In addition, the empirical examination states that the dimensions of 'Consistency' and Adaptivity do not show any difference and they are similar to each other in all sectors. It was found that only the textile sector differs from the Communication and chemical sectors, which are the other two sectors, while the organizational culture is in the "involvement" dimension. Another dimension, the 'Mission' dimension, was found to differ only between the Communication and textile sectors.

Keywords: Organizational culture, Denison Model, Sectorial differences, communication, textile, chemical.



يعتمد التسويق بالعلاقات على التواصل واكتساب الزبائن ومعرفة متطلباتهم ومحاولة الحفاظ عليهم وعلى التبادل المنفعي بين المنظمة والزبائن.

ت	الفقرات	اتفق تماماً	اتفق	محايد	لا اتفق	لا اتفق تماماً
1	يحاول المسوق إظهار العميل أن منتجه ليس به اي عيوب.					
2	تقدم الشركة معلومات كافية للزبائن لجذب زبائن جدد.					
3	ترغب الشركة في اعلام الزبون للتوصية بآخرين لشراء منها					
4	الوضوح والصدق هو عامل رئيسي يمكن أن يكسب زبائن جدد.					

2- الاحتفاظ بالزبائن :

يعد الاحتفاظ بالزبون نشاطاً تتعهد به الشركة لتقليل انشقاقات الزبائن. ولا تتعلق قدرة المنظمات على الاحتفاظ وجذب زبائن جدد وجذبهم داخل السوق. بل وسيلة فعالة لزيادة سمعة المنظمة كذلك. (Tsetse, 2013)

ت	الفقرات	اتفق تماماً	اتفق	محايد	لا اتفق	لا اتفق تماماً
1	تحاول الشركة ان تفهم مشاكل الزبائن التي لديها.					
2	عملية الشكاوى من قبل الزبائن بسيطة في الشركة ويمكن حلها بسهولة.					
3	تحاول الشركة تقديم المنتجات وان تعد الزبائن لكثير من الخدمات.					
4	تعمل الشركة بجد على أداء خدماتها بصورة فعالة الى الزبائن بأعتباره الحق الأول لهم.					

3- استبعاد الزبائن :

ان إدارة استعادة العملاء "تشمل التخطيط ، والتحقق ، والتحكم في جميع العمليات التي تضعها الشركة لاستعادة العملاء الذين يقدمون إشعاراً بإنهاء علاقة التعامل مع الشركة أو التي انتهت علاقتهم بالفعل. (Ritter, 2004)

ت	الفقرات	اتفق تماماً	اتفق	محايد	لا اتفق	لا اتفق تماماً
1	الشركة مستعدة تماماً لحل علاقات الزبائن إذا لزم الأمر.					
2	لدى الشركة صورة واضحة جداً حول الزبائن التي لا تريد التعامل معهم.					
3	يشير المدراء دائماً على أن الزبائن السيئين أفضل من عدم وجود زبائن.					



					الزبائن.
				3	المسوق لا يساعد الزبون في تقديم معلومات كافية عن المنتج وبعضها مظلل وغير صحيح.
				4	يحاول المسوق اقناع الزبائن بشراء المنتج بعد الخداع والتظليل.
				5	يستخدم المسوق طرق فيها ابداع من استخدام الاكاذيب واريك الزبون عند عملية الشراء.

-2 التدخل :

(ويشير إلى التدخل الغير المسموح به، والذي يعكس كافة الحالات التي لا يرغب الزبائن بالحديث عليها كحرية التعبير تجاه منتجات المسوقين، و يشمل كافة الأنشطة التي يتبعها المسوقين من أجل دفع الزبائن لتقديم تنازلات واضحة و دفعهم في شراء منتجات الشركة

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ت	الفقرات	اتفق تماما	اتفق	محايد	لا اتفق	لا اتفق تماما
1	عند التسوق يكون هناك تدخل واضح وغير مسموح به من قبل المسوق مما يشوش على قرار الشراء.					
2	يجادل المسوق أن يقنعني لتقديم تنازلات لشراء منتج اخر غير الذي قصده للشراء					
3	يحاول المسوق التسلل ورصد كافة حركات الزبون في المتجر ليؤثر على شراء منتجات محددة.					
4	يحاول المسوق ان يجذب انتباه الزبائن عن المنتجات المنافسة لهم بطريقة واضحة.					
5	الزبون يتضابق من طريقة كلام المسوق عن المنافسين ومنتجاتهم وعدم الاكتفاء بعرض مزايا منتجاته.					

-3 الاستغلال :

«ويشير إلى الحالة التي يسعى من خلالها المسوقين إلى استغلال الطبيعة البشرية واستخدامهم لغرض تحقيق أهداف تسويقية بحتة، وذلك من خلال استخدام الزبائن كأداة ترويجية فضلا عن خلق فرص جديدة»

ت	الفقرات	اتفق تماما	اتفق	محايد	لا اتفق	لا اتفق تماما
1	يحاول المسوق ان يستغل ضعف الزبائن في معرفة خصائص المنتج الجديد ويحاول اظهار منتج شركته كأفضل منتج					
2	يستغل المسوق الزبائن كأداة لمشروعه من دون علمهم					
3	يحاول المسوق معرفة انطباع الزبائن عن المنتجات المنافسة ويستخدمهم كأداة لجمع المعلومات					
4	يحاول المسوق ان يتجاذب اطراف الحديث مع الزبائن لمعرفة افضل التصاميم الخاصة بالمنافسين.					
5	دائما ما يحاول المسوق من مصادرة جهود الزبائن عند ابلاغه له عن مزايا وعيوب منتجاتهم.					

إعادة هندسة العلاقة مع الزبائن :

إنها طريقة لفهم سلوك الزبون من خلال التواصل المكثف معه لتحسين الأداء ، والذي يتمثل في جذب العميل ، والحفاظ عليه و زيادة ولائه وربحيته.

1-الاكتساب :



					الواضح والشفاف	
					الجزء الملازم من خطة التسويق هي صياغة مصادقية وعلاقة قوية مع الزبائن في كل خطوة.	4

-2 الرضا :

رضا العملاء هو عامل يزيد الثقة في المنظمة التي تقدم المنتج / الخدمة. وان العلاقة مع المنظمة قد تزيد من الرضا ورغبة المستهلك وتستمر في الارتباط بالمنظمة.

ت	الفقرات	اتفق تماما	اتفق	محايد	لا اتفق	لا اتفق تماما
1	تعدد وظيفة المنتج أو الخدمة. اي ان يلبي المنتج أو الخدمة النهائية كل احتياجات الزبائن.					
2	قدرة مزود الخدمة او المسوق على التواصل مع الزبائن بطريقة سهلة ومفهومة.					
3	السلامة الشخصية للزبون والحفاظ على ممتلكاته أثناء تلقي الخدمة أو المنتج.					
4	المسوق يحاول أن يجعل الزبون على اتصال مع المنظمة في كل الاوقات.					

-3 الالتزام :

ويعني تحديد قوة تربط الفرد بمسار العمل ذو صلة بواحد أو أكثر من الأهداف ، ويحدد الالتزام في منظمات تجاه زبائنهم مثل الالتزام العاطفي.

ت	الفقرات	اتفق تماما	اتفق	محايد	لا اتفق	لا اتفق تماما
1	يحاول المسوق أن يكون موثوقاً به من قبل الزبائن وان يحتفظ بهم في المنظمة.					
2	المنظمة مهتمة بأن تعطي أفضل جودة لديها للزبائن.					
3	تحاول المنظمة دائماً معرفة مشاعر الزبائن تجاه منتجاتها وخدماتها المتنوعة.					
4	تحاول المنظمة استخدام اجراءات مختلفة لجعل الزبائن سعداء.					

التسويق الخفي :

سعي المسوقين إلى إيجاد طرق تسويقية غير تقييدية وغير مألوفة وغير مشروعة تساعد في التأثير على الزبائن بصورة مباشرة، والعمل باتجاه تسخير خيال الزبون وإيادهم لغرض استهلاك المنتجات بطرق غير قانونية أو غير أخلاقية لتحقيق التفوق التنافسي وكسب الأرباح. ﴿ ، ويقاس بدلالة المتغيرات الفرعية الآتية (Ataee , Akelaby ; 2016):

-1 الخداع

﴿ ويشير إلى الحالة التي يسعى من خلالها المسوقين تسويق منتجاتهم وأقناع زبائنهم بطريقة لا يتم الإفصاح عن طبيعة وهوية المنتجات المسوقة ، فضلاً عن الامتناع عن تقديم معلومات مباشرة تم طلبها من الزبون)

ت	الفقرات	اتفق تماما	اتفق	محايد	لا اتفق	لا اتفق تماما
1	يستعمل المسوق مع الزبائن بعض وسائل التشويش عن جودة المنتج مما يؤثر سلباً على قرار شراء المنتج الذي لم يلبي رغبات الزبائن.					
2	لا يفصح المسوق عن جهة التصنيع الاصلية الى					



	simple in the company.					
3	The company try to Deliver products and Promise customers for many services					
4	The company work hardly to Performing services right the first.					

3- Termination:

Customer regain management 'encompasses the planning, realization, and control of all processes that the company puts in place to regain customers who either give notice to terminate the business relationship or whose relationship has already ended.(Ritter, 2004)

	Expressions	Totally agree	agree	Biased	disagree	Totally disagree
1	The company is completely prepared to dissolve customer relationships if necessary					
2	We have a very clear picture of customer we do not want to deal with.					
3	Our managers always point out that a bad customer is better than no customer					

جامعة الكوفة

كلية الإدارة والاقتصاد

قسم إدارة الأعمال الدراسات العليا

ملحق (4)

الاستبانة

أخي الكريم المحترم

تحية طيبة...

بالنظر لما نعهده بكم من علم ومعرفة وخبرة، أضع بين أيديكم الاستبانة التي أعدت لإكمال متطلبات نشر بحث وعنوانه (جودة الاتصال الاجتماعي كوسيط في العلاقة بين التسويق الخفي وإعادة هندسة علاقات الزبائن). لذا نرجو تعاونكم معنا في الإجابة على الفقرات التي تضمنتها الاستبانة ومن واقع خبرتكم في العمل بالمتجر، علماً أن إجاباتكم تعامل بشكلٍ سرّي ولأغراض البحث العلمي حصراً .

شاكرين لكم جهودكم المباركة وحسن تعاونكم

ومن الله التوفيق...

الباحثة سامية هاني عجيل

الباحث الحمزه فاضل عباس

جودة التواصل الاجتماعي :

جودة الاتصال هي مزيج من جودة المعلومات وتفضيل المصدر أو توصيل اتصالات ملائمة وفي الوقت المناسب وتكون دقيقة وكاملة وذات مصداقية. ومتغيراته كالاتي:

1- الثقة :

الثقة هي الآلية الاجتماعية التي تسمح للأفراد لإدارة التسامح وعدم اليقين المتزايد. يُنظر إلى الثقة باعتبارها سمة جماعية وتعتبر بمثابة وظيفة للنظام الاجتماعي (Garbarino,1990).

ت	الفقرات	اتفق تماماً	اتفق	محايد	لا اتفق	لا اتفق تماماً
1	وضوح ودقة كل من المعلومات الشفهية والمكتوبة الموجهة إلى الزبون وقدرة الموظفين على الاستماع إلى الزبون وفهمه. وهذا يشمل إبقاء الزبون على اطلاع.					
2	موثوقية واتساق أداء الخدمة والسلع والموظفين. وهذا يشمل تقديم الخدمات في الوقت المحدد والقدرة على الاحتفاظ بالاتفاقات المبرمة مع الزبون.					
3	يحاول المسوق كسب ثقة العميل من خلال التعامل					



Refers to unauthorized intervention, which reflects all cases where customers do not wish to speak in public. Such as freedom of expression towards the products of marketers, and includes all activities that marketers follow in order to make customers to give clear concessions and make them buy the Company's products.

	Expressions	Totally agree	agree	Biased	disagree	Totally disagree
1	In marketing there will be a clear intrusion and not allowed from the marketer which is effect on buying decision.					
2	I feel when I use the product that's the marketer didn't tell me about the original country of origin.					
3	The marketer try to monitor all my movement in the store to effect on the buying.					
4	I feel that the marketer try to make attention to the competitive products.					
5	I'm feel uncomforTable when the marketer try to talk about the competitors and their product.					

3- Exploitation

Refers to the situation in which marketers seek to exploit human nature and use them for purpose to achieving a purely marketing goal through the use of customers as a promotional tool as well as new opportunities.

	Expressions	Totally agree	agree	Biased	disagree	Totally disagree
1	The marketer try to use my weakness to know the new product features and try to show his product as the best.					
2	I felt that the marketer using me as a tool for his product.					
3	Always the marketer try to know my impression about the competitive product and using me as a tool to collect information.					
4	the marketer try to make a conversation to know the best designs of the competitors					
5	The marketer try to export my efforts when he try to inform me on the advantages and disadvantages of competitor's products.					

Re-engineering customer relationship:

It is a method of understanding the customer behavior through intense communication with him/her to improve the performance, which is represented in attracting the customer, keeping him/her and increasing his/her loyalty and profitability

1-Acquisition:

Relationship marketing relies upon the communication and acquisition of consumer requirements solely from existing customers in a mutually beneficial exchange

	Expressions	Totally agree	agree	Biased	disagree	Totally disagree
1	The marketer trying to show the customer that its product had no defects.					
2	The company give enough information to the customers to attract new customers					
3	The company want form the customer to recommend others to buy form it.					
4	Clearness and honesty is a major factor could earn new customers.					

2-Retention:

Customer retention is an activity a business undertakes to reduce customer defections. An organizations ability to retain and attract new customers is not only related to it within the marketplace. (Tsetse, 2013)

	Expressions	Totally agree	agree	Biased	disagree	Totally disagree
1	Understands Customer problems from the company.					
2	The Process of Complaints by the customer are					



	the customer and the ability of staff to listen to and understand the customer. This includes keeping the customer informed.					
2	The reliability and consistency of performance of service facilities, goods and staff. This includes punctual service delivery and an ability to keep to agreements made with the customer.					
3	The marketer try to earn the trust of the customer.					
4	Convenience it's the major part in the marketer plan.					

2- Satisfaction :

Customer satisfaction is a factor that generates confidence in the company offering the product/service. The relationship with the company may increase the satisfaction and consumer desire and continue to relate to the company.

	Expressions	Totally agree	agree	Biased	disagree	Totally disagree
1	The functionality of the product or service. The end product or service meets my needs.					
2	The ability of the service provider to communicate with me in a way I will understand.					
3	The personal safety of me and my possessions while receiving the service or product.					
4	I feel that the marketer try to keep me in touch with his company					

3- Commitment :

Define as a force that binds an individual to a course of action relevant to one or more targets, and define commitment in organizations such as affective commitment.

	Expressions	Totally agree	agree	Biased	disagree	Totally disagree
1	The marketer try to be reliable with me to retain me In his company					
2	The company give me the best quality they have.					
3	Always the company try to know my feelings toward its products					
4	the company try to use different techniques to make the customer happy					

Stealth marketing:

Marketers seek to find non-traditional, unusual and illegal marketing methods that help to influence Direct customers, and work towards harnessing customer imagination for the purpose of consuming products in other ways Legal or immoral to achieve competitive superiority and profits. It is measured in terms of sub-variables as following (Ataee , Akelaby ; 2016):

1- Deception:

Refers to the situation in which marketers seek to market products and convince customers in a way that is not Disclosure of the nature and quality of the marketer, as well as refraining from providing direct information which has been sought of the customer.

	Expressions	Totally agree	agree	Biased	disagree	Totally disagree
1	The marketer use with me some tools to confuse me about the quality of the product and that's lead to a negative effect on the buying decision.					
2	I feel when I use the product that's the marketer didn't tell me about the original country of origin.					
3	The marketer didn't help me to show enough information about the product, and some of them is false.					
4	The marketer convince me to buy the product after he deceive me.					
5	The marketer used different ways to lay and confusing during the process of buying.					

2- Intrusion



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Questionnaire

Quality of Social Communication:

Communication quality is a combination of information quality and source preference or the delivery of adequate, timely, accurate, complete and credible communication

1- Trust :

Trust is a social mechanism which allows individuals to manage the increasing tolerance and uncertainty. Trust is seen as a collective attribute and is considered as a function of social order. (Garbarino, 1990)

	Expressions	Totally agree	agree	Biased	disagree	Totally disagree
1	The clarity, completeness and accuracy of both verbal and written information communicated to					



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a. Dependent Variable: RCR

The value of (t) is significant when compared to the Table value (1.96), the statistical level (0.05), the freedom of (1,149). This indicates that the regression curve is sufficient to describe the relationship between (RCR, MM) and confidence level (0.95). This is confirmed by the statistical value (MM) and according to the t-test ($t = 6.570$).

The value of the (R^2) coefficient is (0.362), which means that stealth marketing interprets its value (0.17) from the variance in re-engineering customer relationship, which is acceptable for comparing the calculated value (f) of (43.164) with the original (F) (3.91) within confidence (0.05). In light of these results, this hypothesis is accepted.

3.10. Conclusion:

Field observations, a survey of 80 store retail managers, and an analysis of previously conducted studies provided evidence that the quality of social communication is positively affecting re-engineering customer relationship. People are becoming more reliant on communicating with marketers and are neglecting to engage positively, even when they use stealth marketing. A majority of individuals felt that quality of communication make them more related to the store, and many individuals doesn't understand that stealth marketing is a bad communication, so probably stayed engaged with the marketer.

Additionally, nearly half of survey respondents communicate more frequently with quality and with convenient marketers. However, everyone should be aware that human interaction as was once known may have already changed forever. And maybe discover that unauthentic treatment.

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The direct (unmediated) effect of SCQ on SM is (0.459). That is, due to the direct (unmediated) effect of SCQ on SM, when SCQ goes up by 1, SM goes up by (0.459). This is in addition to any indirect (mediated) effect that SCQ may have on SM. and SCQ effect on the direct (unmediated) effect of on RCR is (0.153).

Also, the indirect (mediated) effect of SCQ on RCR is (0.316). That is, due to the indirect (mediated) effect of SCQ on RCR, when SCQ goes up by 1, RCR goes up according the effect of (SM). That's mean the effect will rise when we remove (SM) as a mediator. This hypotheses will be accepted according to the results.

Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
SM	<---	SCQ	.459	.109	4.214	***	
RCR	<---	SM	.688	.125	5.513	***	
RCR	<---	SCQ	.153	.132	1.155	.248	

The probability of getting a critical ratio as large as 1.155 in absolute value is .248. In other words, the regression weight for **SCQ** in the prediction of **RCR** is not significantly different from zero at the 0.05 level (two-tailed). And that mean the QSC isn't significant with RCR without SM.

H4: Predict that stealth marketing have a relation with re-engineering customer relationship without Quality of Social Communication.

Table (15)

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.602a	.362	.354	.49108	.362	43.164	1	76	.000

a. Predictors: (Constant), SM

ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.409	1	10.409	43.164	.000b
	Residual	18.328	76	.241		
	Total	28.738	77			

a. Dependent Variable: RCR

b. Predictors: (Constant), SM

Coefficientsa							
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B
		B	Std. Error				Lower Bound Upper Bound
1	(Constant)	1.284	.414		3.099	.003	.459 2.109
	SM	.750	.114	.602	6.570	.000	.523 .977



The value of (t) is significant when compared to the Table value (1.96), the statistical level (0.05), the freedom of (1,149). This indicates that the regression curve is sufficient to describe the relationship between (QSC, SM) and the level of confidence (0.95). This is confirmed by the value of statistical and according to test (t), it reached ($t = 3.305$).

The value of the coefficient of determination (R^2) is a coefficient of (0.126), meaning that the quality of social communication is interpreted as the value of (0.126) of the variance in the stealth marketing, which is acceptable for comparing the calculated value of (f) (10.923) with the original F (3.91) within confidence (0.05). In light of these results, this hypothesis is accepted.

H3: Predict Quality of Social Communication as a moderator which makes effect between stealth marketing and re-engineering customer relationship.

According to the direct and indirect effect of Quality of Social Communication between stealth marketing and re-engineering customer relationship the researcher used the (AMOS) analysis as showing figure(3) below :

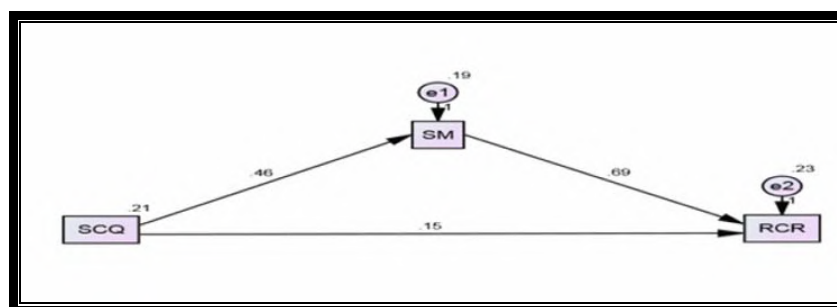


Figure (3)

The results indicate that Quality of Social Communication (SCQ) has a direct effect on re-engineering customer relationship (RCR) of (0.15). However, the direct effect of (SCQ) on (SM) is (0.46), and (SM) on (RCR) is (0.69).

Direct Effects (Group number 1 - Default model)

	SCQ	SM
SM	.459	.000
RCR	.153	.688

Indirect Effects (Group number 1 - Default model)

	SCQ	SM
SM	.000	.000
RCR	.316	.000



Coefficients ^a							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	1.962	.393		4.991	.000	1.179	2.745
SCQ	.459	.110	.433	4.187	.000	.241	.678

a. Dependent Variable: SM

The value of (t) is significant when compared to the Table (1.96), the statistical level (0.05), the degree of freedom (0.14), indicating that the regression curve is sufficient to describe the relationship between (SCQ, SM) and the level of confidence (0.95).

The value of the coefficient of determination (R^2) is a coefficient of (0.187), which means that the quality of social communication is interpreted as (0.187) of the variance in the stealth marketing. This is an acceptable indicator of the comparison of the calculated value of f is (17.528) compared with f (3.91) within the limits of confidence (0.05). In the light of these results, this hypothesis is accepted. This relationship shows that whenever there is quality communication will effect on the stealth marketing procedures.

H2: Predict that Quality of Social Communication have a relation with re-engineering customer relationship

Tables(14)

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.354 ^a	.126	.114	.57499	.126	10.923	1	76	.001

a. Predictors: (Constant), SCQ

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	3.611	1	3.611	10.923	.001 ^b
Residual	25.127	76	.331		
Total	28.738	77			

a. Dependent Variable: RCR

b. Predictors: (Constant), SCQ

Coefficients ^a							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	2.314	.508		4.552	.000	1.302	3.326
SCQ	.469	.142	.354	3.305	.001	.186	.751

a. Dependent Variable: RCR



determined by the researcher (0.05). Therefore, this hypothesis at the level of this study is accepted.

H4: Predict that stealth marketing have a relation with re-engineering customer relationship without Quality of Social Communication

table(12)

	D.V I.V	re-engineering customer relationship	
		Correlation	Significant
1	SM	.602	.000

There is a significant correlation between Stealth Marketing and re-engineering customer relationship. The data of Table above showed a strong and positive correlation (0.602), and the level of morale was (0.000), which is greater than the level of morale determined by the researcher (0.05). Therefore, this hypothesis at the level of this study is accepted.

3.9.3.Regression Analysis:

This analysis will discuss the results of the test and analysis of relations of influence between the variables of the study and according to the provisions of the main hypotheses:

H1: Predict that Quality of Social Communication have an effect on stealth marketing

tables(13)

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.433a	.187	.177	.44477	.187	17.528	1	76	.000

a. Predictors: (Constant), SCQ

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	3.467	1	3.467	17.528	.000 ^b
Residual	15.034	76	.198		
Total	18.502	77			

a. Dependent Variable: SM

b. Predictors: (Constant), SCQ



3	Our managers always point out that a bad customer is better than no customer	4.10	.920
	Total	3.85	1.014

3.9.2. Correlation Analysis:

This study deals with the strength and direction of correlation between the independent variable (quality of social communication), the intermediate variable (Stealth marketing) and the dependent variable (re-engineering customer relationship)

H1: Predict that Quality of Social Communication have a relation with stealth marketing

table(10)

	D.V I.V	Stealth marketing	
		Correlation	Significant
1	Q.S.C	.433	0.000

There is a significant correlation between Quality of Social Communication and stealth marketing. The data of Table above showed a strong and positive correlation (0.433), and the level of morale was (0.000), which is greater than the level of morale determined by the researcher (0.05). Therefore, this hypothesis at the level of this study is accepted.

H2: Predict that Quality of Social Communication have a relation with re-engineering customer relationship

table(11)

	D.V I.V	re-engineering customer relationship	
		Correlation	Significant
1	Q.S.C	.354	.001

There is a significant correlation between Quality of Social Communication and re-engineering customer relationship. The data of Table above showed a strong and positive correlation (0.354), and the level of morale was (0.001), which is greater than the level of morale



	competitors and their product.		
	Total	3.576	1.076

3- Exploitation:

Table(6)

	Expressions	Mean	Std. Deviation
1	The marketer try to use my weakness to know the new product features and try to show his product as the best.	3.81	1.193
2	I felt that the marketer using me as a tool for his product.	3.24	1.311
3	Always the marketer try to know my impression about the competitive product and using me as a tool to collect information.	2.95	1.255
4	the marketer try to make a conversation to know the best designs of the competitors	3.53	1.214
5	The marketer try to export my efforts when he try to inform me on the advantages and disadvantages of competitor's products.	2.78	1.180
	Total	3.262	1.2306

The results of descriptive statistical analysis of the dimensions of the Re-engineering customer relationship:

Table below presents the results of the descriptive statistical analysis to the stealth marketing

1-Acquisition:

Table(7)

	Expressions	Mean	Std. Deviation
1	The marketer trying to show the customer that its product had no defects.	4.06	.944
2	The company give enough information to the customers to attract new customers	4.09	.914
3	The company want form the customer to recommend others to buy form it.	4.03	.939
4	Clearness and honesty is a major factor could earn new customers.	4.14	.833
	Total	4.08	0.9075

2-Retention:

Table(8)

	Expressions	Mean	Std. Deviation
1	Understands Customer problems from the company.	4.05	.924
2	The Process of Complaints by the customer are simple in the company.	3.81	1.070
3	The company try to Deliver products and Promise customers for many services	4.09	.885
4	The company work hardly to Performing services right the first.	3.95	.952
	Total	3.975	0.95775

3- Termination:

Table(9)

	Expressions	Mean	Std. Deviation
1	The company is completely prepared to dissolve customer relationships if necessary	3.29	1.359
2	We have a very clear picture of customer we do not want to deal with.	4.17	.763



4	I feel that the marketer try to keep me in touch with his company	3.21	1.144
	Total	3.7775	0.9965

3- Commitment:

Table(3)

	Expressions	Mean	Std. Deviation
1	The functionality of the product or service. The end product or service meets my needs.	3.41	1.189
2	The ability of the service provider to communicate with me in a way I will understand.	3.79	.827
3	The personal safety of me and my possessions while receiving the service or product.	3.55	1.124
4	I feel that the marketer try to keep me in touch with his company	3.99	.845
	Total	3.685	0.99625

The results of descriptive statistical analysis of the dimensions of the Stealth marketing:

Table below presents the results of the descriptive statistical analysis to the stealth marketing

1-Deception:

Table(4)

	Expressions	Mean	Std. Deviation
1	The marketer use with me some tools to confuse me about the quality of the product and that's lead to a negative effect on the buying decision.	4.03	.911
2	I feel when I use the product that's the marketer didn't tell me about the original country of origin.	3.86	.922
3	The marketer didn't help me to show enough information about the product, and some of them is false.	3.95	.851
4	The marketer convince me to buy the product after he deceive me.	3.95	.857
5	The marketer used different ways to lay and confusing during the process of buying.	3.97	.821
	Total	3.952	0.8724

2- Intrusion:

Table(5)

	Expressions	Mean	Std. Deviation
1	In marketing there will be a clear intrusion and not allowed from the marketer which is effect on buying decision.	3.37	1.175
2	I feel when I use the product that's the marketer didn't tell me about the original country of origin.	3.94	.991
3	The marketer try to monitor all my movement in the store to effect on the buying.	3.49	1.159
4	I feel that the marketer try to make attention to the competitive products.	2.77	1.183
5	I'm feel uncomforTable when the marketer try to talk about the	4.31	.872



The study will focus on this subject according to the following questions: Are the paragraphs of the questionnaire actually measuring their variables? Is it suitable to be a measure for them? It will reveal the amount and nature of the relationship between the main variables (Quality of Social Communication, Stealth Marketing and R-engineering customer relationship).

3.9.1. Statistical Description:

The objective of this study is to show the level of response of the sample members to the questionnaires at the sample level,

- What is the level of response of the sample members on the axes and paragraphs of the quality of social communication at the level of the sample being investigated?
- What is the level of response of the sample respondents to the stealth marketing axes and paragraphs at the sample level?
- What is the level of response of the sample members on the R-engineering customer relationship at the level of the sample being investigated?

The results of descriptive statistical analysis of the dimensions of the Quality of Social Communication:

Table below presents the results of the descriptive statistical analysis to the quality of social communication.

1- Trust : Table(1)

	Expressions	Mean	Std. Deviation
1	The clarity, completeness and accuracy of both verbal and written information communicated to the customer and the ability of staff to listen to and understand the customer. This includes keeping the customer informed.	3.45	1.224
2	The reliability and consistency of performance of service facilities, goods and staff. This includes punctual service delivery and an ability to keep to agreements made with the customer.	3.14	1.181
3	The marketer try to earn the trust of the customer.	2.78	1.265
4	Convenience it's the major part in the marketer plan.	3.46	1.213
	Total	3.20	1.22075

2- Satisfaction: Table(2)

	Expressions	Mean	Std. Deviation
1	The functionality of the product or service. The end product or service meets my needs.	3.82	.990
2	The ability of the service provider to communicate with me in a way I will understand.	4.03	.873
3	The personal safety of me and my possessions while receiving the service or product.	4.05	.979



According to the previous literature the conflict that could be cause by stealth marketing will create a negative effect between stealth marketing and re- engineering customer relationship, so that will answer the forth hypotheses.

H4: Predict that stealth marketing have an effect on re-engineering customer relationship without Quality of Social Communication.

1.3.5 Sample:

Respondents in the qualitative part of the research process will be recruited via a non-probability sample. The definition of the population includes managerial personnel concerned with marketing and communication. Consequently, participants must have professional experience in managing business transformation in their company, or at least considerable experience in product or service provided.

A judgmental sample is appropriate because for the investigation of the research questions the researcher depends on access to a specific population which needs to possess a high degree of expertise (Malhotra, Birks, & Wills, 2012). In addition, snowball sampling will assist in identifying potential respondents with similar characteristics to increase the number of participants (Blumberg, Cooper & Schindler, 2008).

1.3.6 Data Collection

As described above, a literature review will be conducted to analyses the current state of academic and practical contributions toward the concept of stealth marketing and communication to re-engineering customer relationship. Furthermore, in the interrogative part of the study, quantitative research techniques, such as questionnaire will be applied to enlarge the body of knowledge of marketing with the intention to build a theoretical framework of the construct.

1.3.7 Data Analysis

After the transcription of the data, the researcher will familiarize with its content. Subsequently, the researcher will code the information with the intention to identify questionnaire data by using Statistical Package for the Social Sciences (SPSS).

1.3.8 The limits of the study

The study included a number of retail stores located in Najaf Governorate .The study is committed to quality of social communication variables, stealth marketing, and re-engineering customer relationship. The number of paragraphs of the questionnaire are (60) divided by the variables of the study.

1.3.9. Analysis, discussion and statistical treatments



Therefore, marketing communication has a critical role as a mediator between a customers's past and current experience and future behavior and that will re-build customer relationship. The hypotheses will be by following:

H2: Predict that Quality of Social Communication have an effect on re-engineering customer relationship

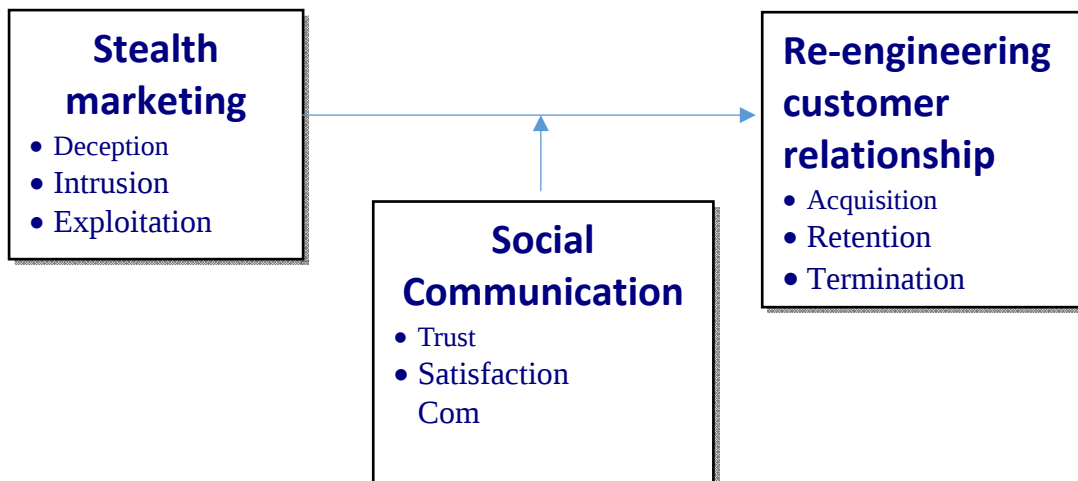
That shows the positive effect and relationship between quality communication and re- engineering customer relationship.

According to (Bricci *et al.* , 2016), previous studies of satisfaction in present models of customer satisfaction among them those surveyed in to propose the application of Satisfaction Index North American Customer Model (ISCN). The authors intend to provide a basis for uniform and a comparable measurement with overall customer satisfaction, that, at its center, is connected to your: a) history, such as: expectations, perceived quality and perceived value by the customer, b) consequential: how complaint and loyalty. Of special interest in the model is the explanation of loyalty to the client as a probable indicator of profitability, i.e. the consequences of increased customer satisfaction, reduced complaints point to growth and customer loyalty. In the authors argue that satisfaction is an important antecedent of loyalty.

H3: Predict Quality of Social Communication as a moderator which makes effect between stealth marketing and re-engineering customer relationship

The researcher discussed the unethical actions of stealth marketing which disseminate the customer from the company according to (Bricci; *et al.*, 2016), so we put Quality of Social Communication as a moderator to pull or push the negative relationship between stealth marketing and re- engineering customer relationship.

Conflict is the fourth foundation of relationship marketing. Anderson (1992) describes conflict as tension and disagreement between the parties to the transaction that can be perceived or apparent. When the conflict in a relationship of mutual trust increases, it can reduce reciprocal trust and interest in creating and maintaining the long-run relationship (Mir Rashid, 2009,5).(Davir ,1987) considers conflict management as control of the overall level of disagreement in working relationships. Seller's capability to better manage conflict is a critical factor to maintain buyers. It should also be noted that the suppression of conflict leads to the loss of credibility of a relationship, and parties to a relationship will be isolated before committing to a long term and continuous relationship (Paidari *et al.*, 2015).



(Morgan and Hunt: 1994) theorize a relationship marketing success requires commitment and trust. The theory of commitment and trust maintains that we should characterize these networks which is a commitment to relationship and trust that generates cooperation. So, the hypotheses will be by following:

H1: Predict that Quality of Social Communication have an effect on stealth marketing.

According to (Morgan and Hunt: 1994), the researcher hypothesizes that conflict which caused by stealth marketing can be reduced by using factors of quality of social communication (trust, satisfaction, and commitment) to minimize the stealth marketing factors (Deception, Intrusion, and Exploitation), so that it will show the effect and relationship between quality communication and stealth marketing.

The strategy of communication does not primarily aim to increase sales. Instead, it is aims at ensuring that consumers have positive attitudes towards advertisements about products, thus building a substructure for future purchases and starting a positive word of mouth communication (Akdoğan, 2015). In this communication, the first goal is that the product is purchased by the consumers but more than that, it is hoped that the consumers disseminate the message about the product, and that will re-engineer customer relationship

The relation between a good communication and re-engineering customer relationship is showed by (Ball *et al.*, 2004) where the supplier's marketing communication is perceived as effective and of good quality; it, in turn, increases the customer's loyalty towards the supplier, and loyalty means the retention the customers.

Hence, perceived effectiveness and quality of marketing communication mediate the customer's experience about the supplier, having potential effect on future intentions (Dwyer *et al.*, 1987; Palmatier *et al.*, 2008).



The researcher put hypothesis First, there must take a moment to define **independent** and **dependent** variables. Simply put, an independent variable is the cause and the dependent variable is the effect. The independent variable can be changed whereas the dependent variable is what you're watching for change. We have to experiment the **hypothesis as an effect** as following:

- Predict Quality of Social Communication has an effect on stealth marketing.
- Predict Quality of Social Communication has an effect on re-engineering customer relationship.
- Predict Quality of Social Communication as a moderator effects stealth marketing and re-engineering customer relationship.
- Predict stealth marketing has an effect on re-engineering customer relationship without Quality of Social Communication.

Secondly, the researcher have to find **the relationship** between the variables according to these questions:

- Is there a relationship between stealth marketing and Quality of Social Communication?
- Is there a relationship between Quality of Social Communication and re-engineering customer relationship?
- Is there a relationship between stealth marketing and re-engineering customer relationship?
- Is there a relationship between Quality of Social Communication as a moderator between stealth marketing and re-engineering customer relationship?

1.3.4 Conceptual Framework

Based on prior research and drawing theoretical support from (Martin and Smith, 2008) variables combined with (Malthouse *et al.*, 2013) social CRM model, this study's conceptual model is depicted in Figure 2



- To analyze the effectiveness of Quality of Social Communication to re-engineering customer relationship.
- To identify the negative role of stealth marketing on re-engineering customer relationship.
- To minimize the negative relation between stealth marketing and re-engineering customer relationship throw Quality of Social Communication as a moderator.

1.3.2 Research Questions

The study aims to understand the massive contribution of Quality of Social Communication as a moderator between stealth marketing and re-engineering customer relationship. Also the study aims to know its splendid efforts towards social customer relationship in practice and also to find out some challenges in using Quality of Social Communication as a moderator of stealth marketing. The recommendations of this research can be used to frame an appropriate usage of stealth marketing strategy in which companies can give special consideration to Quality of Social Communication along with the re-engineering customer relationship.

Research questions can be summarized as follows:

- Should companies use Quality of Social Communication as a moderator to communicate about its brand?
- How does stealth marketing contribute to attract new customer?
- How does Quality of Social Communication play important role in companies' marketing strategy?
- How can stealth marketing re-build customer relationship management throw Quality of Social Communication?
- How does Quality of Social Communication change the aspect of customer relationship management?
- What are the loopholes in the three variables of the research?

1.3.3 Methodology

The first step is to formulate a research design. This means planning a strategy of conducting research. It is a detailed plan of how the goals of research will be achieved. Research design is exploratory, descriptive and/or experimental in nature. It helps the investigator to providing answers to various kinds of social/economic questions. After the collection and analysis of the data, the researcher has to accomplish the task of drawing inferences. Only through interpretation researcher can expose relations and processes that underlie his findings and ultimately conclusions. Interpretation refers to the task of drawing inferences from the collected facts after an analytical study.



so customer attrition rate should be reduced and make them for a longer time in terms of economic growth.(Nema et al., 2017).

Also(Rao et al., 2017) define Customer retention as a concept by which companies mitigate the customer defection and possibly retain them for a lifetime. (Symonds et al as cited in Gouws, 2012) say that factors influence customer needs and customer satisfaction has to be identified and properly solved.

Moreover, Fornell and Wernerfelt as cited in (Ahmed and Buttle, 2001) highlighted that firms' resources would be wisely spent when they are used to retain the existing customers than gaining new ones.

Similarly, Gupta et al, as cited in (Kassegn and Pagidimarri, 2013) also agree with the advantages of retaining existing customers due to the high cost of obtaining new customers. Bhattacharijee as cited in (Kassegn and Pagidimarri, 2013) states that winning new customer for the firm costs five to ten times more than customer retention.

3-Termination: Customer regain management 'encompasses the planning, realization, and control of all processes that the company puts in place to regain customers who either give notice to terminate the business relationship or whose relationship has already ended' (Stauss and Friege, 1999: 348). To reach the different objectives, in particular to rebuild attractive relationships, systematic customer regain management should contain different elements. Then, customer regain actions could encompass individual dialogues with 'lost' service customers, followed by individual regain offers depending on the reasons for having terminated the relationship. Finally, the firm has to control all activities aimed at customer regain management (Gouthier *et al.* , 2003).

1.3 Research Programme:

1.3.1 Research objectives:

Based on the theoretical prospective, the research objectives are as follows,

- To understand the importance of Quality of Social Communication.
- To understand the importance of stealth marketing in changing market scenario.
- To understand the importance of social customer relationship management and compare it with traditional customer relationship management.
- To understand the relationship between Quality of Social Communication and stealth marketing.



Additionally (Swift, 2000) say that CRM is a method of understanding the customer behavior through intense communication with him/her to improve the performance, which is represented in attracting the customer, keeping him/her and increasing his/her loyalty and profitability.

A company uses CRM in the field of research methodology, technology and e-commerce in order to manage customer relationships (Foss and Stone, 2001). This definition for CRM regards it as the ability to use technology in the domain of dealing with customers. CRM is the activity which is interested in the main customers of the organization, in the efficiency of an organization and in the customer knowledge management, with the aim of enhancing the effectiveness of organizational decisions related to customers, leading, therefore, to the improvement of marketing performance in particular and organizational performance in general (Shaon and Rahman, 2015).

Also (Buss, Begorgis : 2015) define CRM as "a cross-functional strategic approach concerned with creating improved shareholder value through the development of appropriate relationships with key customers and customer segments.

(Umamaheswari *et al.*, 2012) clarify that relationship marketing has also been strongly influenced by reengineering. According to reengineering theory, organizations should be structured according to complete tasks and processes rather than functions.

1.2.4 Re-Engineering Customer Relationships Dimensions

There are three dimensions to Re-Engineering Customer Relationships which are determined by different researchers (Umamaheswari *et al.*, 2012) (Rao *et al.*, 2017) (Gouthier *et al.* , 2003).

1-Acquisition: Relationship marketing relies upon the communication and acquisition of consumer requirements solely from existing customers in a mutually beneficial .With particular relevance to customer satisfaction the relative price and quality of goods and services produced or sold through a company alongside customer service generally determine the amount of sales relative to that of competing companies. (Umamaheswari *et al.*, 2012).

2-Retention: Customer retention is an activity a business undertakes to reduce customer defections. An organizations ability to retain and attract new customers is not only related to it within the marketplace. Customer retention is the driving force behind Customer Relationship Management (CRM), relationship marketing and loyalty marketing. Studies across a number of industries have revealed that the cost of retaining an existing customer is only about 10% of the cost of acquiring a prospect customer,



representatives of each company (actors, bloggers, and connectors) were not required to disclose their affiliation. As far as we know, however, they were also not instructed to withhold that information if asked. Such an instruction might well have had legal ramifications for the company.

2-Intrusion: Intrusion reflects a violation of privacy, in which presumably passersby and tourists were interrupted in their journeys and sightseeing for what was essentially an invitation to assist the fake tourists, and thus, provide them with an opportunity to demonstrate the product. However, the seriousness and severity of the intrusion might be questioned. It seems difficult to argue that this charge of intrusion, in itself, can constitute a major ethical concern as a privacy violation, the deception and exploitation notwithstanding.

3-Exploitation: Exploitativeness criticisms reflect the belief that stealth marketing cynically exploits human good nature, which is wrong in itself and in its possible effect on future individual willingness to help others. Moral duties are potentially violated, and there are possible troubling consequences.

The researcher say that the negative actions of stealth marketing has detrimental effects on customer relationship which lead consumers to be deceived and that will effect on trust between customer and the company; so, that's why the researcher put social quality communications as a moderator between stealth marketing and re-engineering customer relationship.

1.2.3 Re-Engineering Customer Relationships

Before we start to write on re-engineering customer relationship, we should define what customer relationship management (CRM).

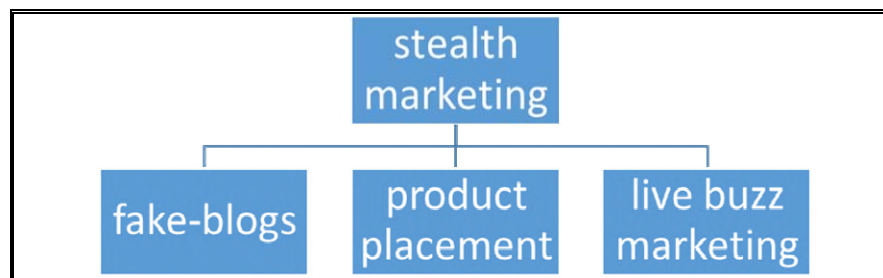
CRM is a technique that can help build long-term relationships with the customers and increase profits through efficient management systems and the application of customer-focused strategies. Customer relationship management is a customer oriented marketing effort which is responsible for accumulating and managing customer details in order to serve the customers in the present and future.. It is a set of business practices to identify, verify, acquire, develop and maintain sustainable profitability and customer loyalty through providing appropriate product and services, in due time (Galbreath and Rogers, 1999).

Customer Relationship Management is a comprehensive strategy and process of acquiring, retaining and partnering with customers to create superior values for the company and the customer (Parvatiyar and Sheth, 2001).



The concept with stealth marketing as a strategy is to sell products by deceiving consumers' minds and avoid their advertising shield (Kaikati & Kaikati, 2004).

Within the stealth marketing strategy, there are a couple techniques that can be determined and discussed (figure 1); fake-blogs, product placement and live buzz marketing (Roy & Chattopadhyay, 2010) (Kirby & Marsden, 2006).



(figure 1) stealth marketing strategy

Resource: Viktor Pettesson, Markus sevensson, (2010) *Stealth Marketing The art of deceiving consumers*, Bachelor Thesis in business administration, school of economics at Linnaeus University, marketing, 2FE07E.

These concepts are explained follows:

Fake-blogs; Blogs that are sponsored by a company and are pretending to be an objective source is referred to as fake-blogs. The goal with fake-blogs is to communicate positive publicity that would be hard through traditional marketing methods. (Roy & Chattopadhyay, 2010)

Product Placement; to show the product in certain preferred situations to endorse the product (Martin & Smith, 2008). An example of this is when product manufacturers pay to get their products displayed or significantly used in movies (Businessdictionary.com, 2010).

Live buzz marketing: buzz is created with information about a brand, product, service, or message in a way that makes people talk about it. However, it is created so that no one knows where it originated from. This technique makes the consumer unaware that they have been targeted by a marketing campaign (Kirby & Marsden, 2006).

2.2 Dimension unethical stealth marketing

Looking at the literature that goes into the subject of stealth marketing, there is no clear meaning of the dimension of stealth marketing, and in this case will depend on what presented by (Martin and Smith, 2008), which will be illustrated as below:

1-Deception: We suggest that consumers were deceived because the marketing agent or commercial sponsor of the activity was not disclosed, consistent with our definition of stealth marketing. Ultimately, the



normative commitment refers to an obligation should remain with the organization. With this three-component model, commitment can be defined as a force that binds an individual to buy from a supplier that can be affective.

1.2.3 Stealth Marketing

The meaning of stealth marketing start with “guerilla” approach as described by Levinson (1984), using unconventional marketing strategies that may involve catching the consumer unawares and in unexpected way (Roy & Chattopadhyay, 2010).

Also (Roy & Chattopadhyay, 2010) say that the root of the word stealth as defined in the Merriam-Webster’s (1986) Third New International Dictionary refering to an “act or action of proceeding furtively, secretly or imperceptibly,” “a furtive or surreptitious departure or entrance,” or “intended to escape observation.” Therefore, in colloquial term stealth marketing refers to undercover, covert, or hidden marketing.

Some have offered a narrower definition of the term. For example, stealth marketing may be a means to reach a target audience without the advertisement being perceived as an advertisement or as a context or may refer to covert marketing in mass media (Goodman, 2006). And (Akdoğan and Altuntaş:2015) further extend the definition to distinguish between the deception that may occur in information gathering and marketing communications.

The American Marketing Association (AMA) is yet to provide an official definition of stealth marketing in its Dictionary of Marketing Terms. The Canadian Marketing Association (CMA) does not provide one either, although code I5.4 of their Code of Ethics & Standards of Practice specifically states that “marketers should avoid undercover or word of mouth initiatives that encourage a consumer or business to believe that the marketer’s agents are acting independently and without compensation when they are not” (Canadian Marketing Association, 2008).

Moreover, (Kaikati & Kaikati, 2004) indicate that, the definition of stealth marketing is “the use of surreptitious marketing practices that fail to disclose or reveal the true relationship with the company that produces or sponsors the marketing message” (Martin & Smith, 2008.pp.45). With the knowledge that consumers are sceptical towards marketing messages, stealth marketing techniques are efforts from marketers to disguise these messages (Rotfeld, 2008).



of labor and it is also recognized that the existence of trust between individuals, in teams in organizations is a necessary mechanism for the work to be done in an efficient way. It is considered that trust allows lower transaction costs and promotes long-term relationships. Besides, it is a driver of success of strategic alliances (Hosmer, 1995). Hosmer believes that trust is a social mechanism which allows individuals to manage the increasing tolerance and uncertainty. Trust is seen as a collective attribute and is considered as a function of social order.

Also (Kiyani *et al.*, 2012) think trust is seen as the willingness of individuals to increase their vulnerability to the actions of others whose behavior cannot control.

2-Satisfaction: customer satisfaction has gained new attention in a shift paradigm from transactional marketing to relational marketing, and in numerous publications satisfaction was presented as a necessary premise for customer retention thus, moved to the forefront of approaches to relationship marketing for researchers. Kotler sums it up when he says: "The key to customer retention is satisfaction", consequently, customer satisfaction has developed extensively as a construction base for activity monitoring and control in the relationship marketing concept. This is exemplified through the development and publishing companies and national satisfaction index (Thurau, 1997). Customer satisfaction is a factor that generates confidence in the company offering the product/service. The relationship with the company may increase the satisfaction and consumer desire and continue to relate to the company.

The results obtained by researchers (Ballester *et al.*, 2001) suggest the key role of trust as a variable that generates commitment from customers, especially in situations of high involvement, where its effect is stronger in comparison to overall satisfaction.

3-Commitment: commitment is an essential ingredient for successful long-term relationships, and trust and satisfaction are the main determinants of commitment (Wlater *et al.*, 2000).

The commitment has been widely recognized as an integral part of any business relationship. Commitment according to (Meyer *et al.*, 1997) is mainly focuses on an attitude of open questions that guide an individual or behavioral intentions.

Also (Herscovitch *et al.*, 2002) define commitment as a force that binds an individual to a course of action relevant to one or more targets, and define commitment in organizations such as affective commitment (which is an enhancement of desire -based organization), instrumental commitment which the client should stay in the organization, and



employing relationship marketing as a strategic tool to attract, maintain and enhance customer relationships and build loyalty (Sadqi, 2012). Relationship marketing increases the productivity of marketing activities and builds up mutual values for both customer and company through growing marketing effectiveness and efficiencies (Mishra and Li, 2008). Likewise, (Gummesson; 1994) formulates in relationship marketing as continuing mutual relationships between the business holder and the customer that leads to enduring profitability.

Gathering all the three variables (social quality communication, stealth marketing, and re-engineering customer relationship) in this proposal is done to figure out the relationship and effect among them, and to establish the role of social quality communication as a moderator to enhance the negative relation between stealth marketing and re-engineering customer relationship.

This proposal will establish the context for this thesis in order to manifest the need for research within telecommunication companies in Iraq. It considers the research questions and then discusses the study's aims and objectives. As well as Literature Review of the three variables. Finally, there is a section about research methodology of the study.

1.2 Literature Review

1.2.1 Quality of Social Communication

Marketing communication is essentially a supplier-initiated form of communication, but in order to yield positive effects, it should be in line with customers' expectations regarding the interaction that takes place in the relationship. In this study, the supplier's success in meeting customer expectations is conceptualized as communication quality to re-engineering customer relationship. The drivers of communication quality vary across studies. Good-quality communication is relevant, timely and reliable (Mohr and Spekman, 1994; Morgan and Hunt, 1994). Communication quality is a combination of information quality and source preference (Harcourt et al., 1991) or the delivery of adequate, timely, accurate, complete and credible communication (Mohr and Sohi, 1995). (Ball et al. 2004, p. 1277) define good communication as providing "information in such a way that the customer personally benefits with a minimum of effort necessary to decode the communication and determine its utility".

1.2.2 Dimension of Social Communication

The dimension to achieve the quality of social communication is:

1-Trust: The development of studies of trust in organizational settings has been viewed as an emerging requirement and resulting transformation



long-term relationships pay off in the form of increased value for the customer, which, in turn, strengthens customers' intentions to make future purchases from the same supplier (Hutchinson *et al.*, 2011). As for the objectives of customer retention (loyalty and future purchase intentions), it is crucial for the supplier to know the customer's experience with perceived value as the ultimate relationship outcomes (Sirdeshmukh *et al.*, 2002).

Stealth marketing techniques tend to be more effective during different stages of the hierarchy-of-effects models. The following generalizations about the effectiveness of different stealth techniques are, of course, subject to further empirical testing. Overall, viral and real-life stealth marketing campaigns tend to excel in generating awareness and creating interest. Celebrity, bait-and tease, and videogame stealth marketing tend to be more effective not only in generating awareness and creating interest, but also in the evaluation stage. But, in evaluating the strengths and weaknesses of stealth marketing, corporate marketers also have to consider emerging ethical issues. While stealth marketing is perceived as an innovative way to get a brand to stand out in a crowded marketplace, it is setting off alarms with consumer watchdog groups. Thus, researchers like (Martin and Smith) argues that stealth marketing is an act of desperation on the part of the advertising industry. Members insist that it is not only unethical to deceive people by hiring performers to pose as tourists, but it is also as intrusive as telemarketing. Other critics also claim that viral stealth marketing seems to be going too far. Knowing that consumers' confidants and "so-called" friends may in fact be recruited brand pushers might make individuals more worry of one another (Kaikati and Kaikati, 2004). And that will make a leakage in creditability and trust which, in turn, will lead to negative effects between customer and company.

Hence, the knowledge of communication, less is known about the role of marketing communications in business relationships (Andersen, 2001), although communication is an essential element of a value-based approach to relationships (Sharma *et al.*, 2001). Marketing communications is suggested to have a mediating role in the transformation of perceived value into loyalty in its various forms, from attitudinal to behavioral elements (Gilliland and Johnston, 1997; Keller, 2009).

Relationship marketing gains a lot of importance over the last few years, as the companies have realized the power of learning about their customers to increase their competitiveness, profitability and success (Egan, 2008). In an era of increasing competition, firms have resorted to



***Quality of Social Communication as Mediator on the Relationship
between Stealth Marketing and Re-Engineering Customer Relationships
(An analytical study of sample for marketers views at the retail stores in najaf)***

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Abstract:

Purpose: the proposal will focus on marketing by gathering three variables (quality social of communication, stealth marketing, and re-engineering customer relationship) to figure out the relationship and effects among them. Also, to establish the roll of quality social of communication as a moderator to enhance the negative relation between stealth marketing and re-engineering customer relationship.

Objectives: understand the importance of Quality of Social Communication and to understand the importance of social customer relationship management and compare it with traditional customer relationship management. Also, understanding the relationship between Quality of Social Communication and stealth marketing. In addition, find out the negative role of stealth marketing on re-engineering customer relationship.

Methodology: formulating the research design depend on the objectives that should be achieved. So, hypothesis will determine to understand the relation and effect among the three variables. As well as, judgmental sample will be used. Moreover, the study will use quantitative research technique to collecting data by questionnaire. Lastly, the researcher will use Statistical Package for the Social Sciences (SPSS) program to analyze the data which is collected by the questionnaire.

1.1. Introduction

Communication is a key element of all business relationships. Across studies and contexts, interfere communication is found to have mainly positive effects on the relationship, as communication mediates various important relationship outcomes (Duncan and Moriarty, 1998). Communication affects satisfaction (Cannon and Perreault, 1999; Mohr and Sohi, 1995) trust (Morgan and Hunt, 1994) and loyalty (Scheer *et al.*, 2009). Communication also serves as a means of relational governance that increases affective commitment toward the business relationship (Mohr *et al.* ,1996). It is generally thought that suppliers' investments in



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directly as the satisfaction of workers increased their production and vice versa.

- Recommendations:

1 - Job satisfaction has a clear and tangible impact on productivity in all self-financing companies in Diwaniyah.

2 - Job satisfaction is achieved when the factors affecting it and the salaries and additional wages and remuneration.

3 - Lack of sense of security and job security for employees in these companies and the provision of social security and health insurance, which emerged from the answers to the sample that they do not have this insurance.

4 - years of service have a clear impact on this sample and therefore lack of sense of financial security through the fluctuation of the continuous budget and low oil prices continued and the failure to receive salaries on the specified days have a significant impact on them and the continued thinking of retirement and go to work to earn them money and achieve security of living for them and their families.

5 - Financial and moral incentives have a very large role in the former regime and their access to incentives of productivity has greatly helped the development of industry in the country and improved their standard of living, but then in recent years there is no such incentives may be absent from the situation in which the country is deteriorating In the national product, the foreign product has been greatly improved and remarkable.

6 - Lack of training and participation in any internal or external training through the machines used in these factories, which in some countries cannot be worked and may already be when brought to the country expired for the great corruption

7 - Achieving the principle of reward and punishment and continuous internal follow-up in these factories through the heads of departments and senior observers and reward glory and perseverance and punish the loser and negligent in work affect significantly and effectively in all aspects, whether satisfied or production.

8 - the need to conduct similar research to find job satisfaction for employees in the private sector and conduct comparative studies with the government sectors.

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Table (18) shows arithmetic mean, standard deviation, and frequency of alternatives to answer to satisfaction

No.	Variables	Always	Sometimes	rarely	Arithmetic Mean	Standard deviation
1	Can you increase and improve your production if you are more satisfied with future work?	71	49	9	2.558	0.172

Table (18) shows that productivity is often increased when job satisfaction increases in the future. The average is 2.558, meaning that satisfaction is closely related to production and is high and vice versa. The employee may be satisfied at the beginning of the work, This may be reflected in the degree of competence and proficiency of their work.

- Conclusions:

1. Job satisfaction among females is higher than that of males at (0.05) because males have material obligations in the society, so that salaries are not enough for women, and women have material obligations, which makes them able to meet their own obligations.
- 2 - The study found that the degree of satisfaction for the older age groups differ from the younger ones age and that they did not achieve what they aspire to or the tender resulting from the circumstances experienced by the country.
3. The message found that in these companies the intermediate qualifications (elementary, middle and middle) are prevalent over other certificates because these companies in the past provide a better refuge for this category and vice versa.
- 4 - Satisfaction with the salary was unacceptable by the workers in these companies and is considered a few other salaries for the many burdens incurred by them for the appropriate living and the many requirements required of them for all family or social obligations, and the correlation of reward to production whenever the incentives and reward was significant there was an improvement in satisfaction and production They agree with Fadl (1997) that there is a strong relationship between job satisfaction and career level.
- 5 - The study concluded that the promotion is closely linked to the competence and proficiency of the workers and not everyone has the right to this promotion, but who persevere and perseverance and be productive and creative work and creative card.
6. Working conditions through working hours and three working hours in most of these companies were very much in line with the obligations of workers of all classes and all of them were very satisfied with that.
- 7 - The levels of production with satisfaction and the conditions surrounding the work and the close correlation between them more



Table (15) shows the arithmetic mean, the standard deviation, and the number of thanks and appreciation books

No.	Variables	Not exist	1-3	4 and more	Arithmetic Mean	Standard deviation
1	How many thanks and appreciation letters have been received during the last year	128	1	-	1.1	0.1

Table (15) showed the opinion of the employees in the surrounding working conditions, where the average of the account (1.1), which is the majority of the sample did not get these books and indicates that there is no work through which in these companies where these books are obtained most often given to producers More and creative in their work.

Table (16) shows the arithmetic mean, standard deviation, and frequency of response alternatives to accountability and punishment

No.	Variables	Not exist	One time	More than one time	Arithmetic Mean	Standard deviation
1	Have you been questioned or punished during the past two years?	129	-	-	3	1.00

In Table (16), for accountability and punishment, it obtained an average of (3) most workers who have not been subjected to any accountability or punishment during the past two years. This indicates that there are no irregularities and therefore this result may be due to the administration's lack of interest in granting incentives and rewards Material and moral in these companies.

Table (17) shows the arithmetic mean, the standard deviation and the frequency of alternatives to the answer to satisfaction

No.	Variables	Always	Sometimes	rarely	Arithmetic Mean	Standard deviation
1	Do you think your satisfaction with work affects your level of production?	47	66	16	2.240	0.731
2	Do you think your work output affects your satisfaction?	65	53	11	2.418	0.562

Table (17) shows the results of the satisfaction variable according to productivity. Sometimes satisfaction with work affects productivity with an average of (2.240), while in the same table it shows that labor productivity always affects job satisfaction with an average of (2.418) And satisfaction are linked to the involuntary (the higher the level of productivity, the higher the job satisfaction of workers and vice versa).



	direct assessment of your production								
3	What assessment did you get in the annual report for the last year?	-	-	37	92	-	2.286	0.812	3
4	What is the overall level of your production in your department	-	13	39	77	-	2.503	1.13	2

Table (12) shows the results of all productivity within the estimate of the alternative (acceptable) in these variables for the lack of interest of workers in these companies these variables attributed to the absence of satisfactory production of these companies in accordance with the labor market and its inputs.

Table (13) shows arithmetic mean, standard deviation, and frequency of response alternatives to surrounding working conditions

No.	Variables	Very often	Too much	Somewhat	to a limited extent	no	Arithmetic Mean	Standard deviation
1	Do you think that your work output can be affected by your working conditions	17	12	-	-	-	4.9	0.834

Table (13) shows the employees' opinion in the surrounding working conditions. It obtained an average of (4.9) ie very much. This indicates that the production is affected by the surrounding conditions such as not marketing the Iraqi product internally and externally.

Table (14) shows the arithmetic mean, the standard deviation and the frequency of the answer alternatives to the number of the reward

No.	Variables	Not exist	1-3	4-6	7-9	10 and more	Arithmetic Mean	Standard deviation
1	What is the number of rewards you received against the list of violations	127	12	-	-	-	1.19	0.31

In Table (14) for the reward, the average (1.19), ie, most of the workers, did not receive this bonus, indicating that the irregularities are almost nonexistent and therefore this result has emerged.



Table (11) shows the arithmetic mean, standard deviation, and frequency of response alternatives to the appropriate working conditions

No.	Variables	Strongly Agree	Agree	Don't know	Not agree	Strongly not agree	Arithmetic Mean	Standard deviation	Arrangement
1	My use of sophisticated methods positively affects my performance	-	12	54	46	17	2.472	1.21	3
2	There is coordination between different departments in the work	9	27	37	43	13	2.465	1.53	4
3	Working hours and working periods are appropriate	88	32	9	-	-	4.612	0.439	1
4	Touch appropriately to provide quality services to perform the work effectively	-	15	87	13	14	2.798	1.33	2

In Table (11), the overall average (3.086) for this variable was ranked first (working hours and working hours). The researcher attributed this to the presence of more than one time in these companies. There may be three working hours per day such as The tissue factory in Diwaniyah may be two working hours and work divisions in these companies in accordance with their production whether it is morning, evening or night, and the possibility of the employee to choose one of these times to work in accordance with his living and his appropriate time, so others may feel some security for the need for time in private work for more of the money for decent living or the association of female workers with domestic work is always observed in the morning.

Table (12) shows the arithmetic mean, the standard deviation, and the frequency of the answer to productivity

No.	Variables	Excellent	Very good	Good	Admitted	Weak	Arithmetic Mean	Standard deviation	Arrangement
1	How to evaluate your performance for your business	-	21	34	74	-	2.589	1.25	1
2	What is your	-	5	12	112	-	2.171	1.12	4



able (10) shows the arithmetic mean, the standard deviation and the frequency of the answer alternatives for the upgrade

No.	Variables	Strongly Agree	Agree	Don't know	Not agree	Strongly not agree	Arithmetic Mean	Standard deviation	Arrangement
1	I have the opportunity to train and qualify for promotion	2	14	85	13	15	2.086	1.36	4
2	The work gives me an opportunity to develop good and better ways to perform my work	-	12	96	16	5	2.891	1.29	2
3	There is justice in obtaining the promotion	-	9	91	18	11	2.759	1.18	5
4	The upgrade is related to efficiency and proficiency	38	47	42	2	-	3.937	1.78	1
5	My work allows me to learn and gain new experiences	-	21	79	20	9	2.968	1.45	3

from Table (10), which means the variable (promotion) with a total average (3.052) and came first (promotion is linked to efficiency and proficiency), as all the above factors in other government institutions may be ranked first for the existence of considerations that achieve this, but these Companies may be non-existent not to send cadres work to the training of special competencies and organs working on them as well as the lack of modern equipment and sophisticated need to such exercises to develop In this aspect, the promotion is competent to the owners of competencies and have the ability to continuous innovation and perform the work at the highest level and development of the wedge This is a standard in which they prefer to upgrade to a higher administrative position.



Table (8) shows the total mean of the terms of this variable (safety at work) at (2.997), and was in the first place (I am pleased to find the cooperation of my colleagues) The researcher attributed this rank to unite between the employees of these companies between them in all aspects, Physical, social, psychological, etc.) to adopt them against each other for the difficult periods during which the recession of the work in these companies and the lack of interest of the state in what they do or production and became their occupation concern (salary) only and the lack of production to enter the market in the recession of the national product And its dependence on external products in all the details of life, and became employees Guardian do not feel safe from superiors or administrators who want positions just to get more than others allocations and lack of attention to slide the lower ones.

Table (9) shows the arithmetic mean, the standard deviation, and the frequency of the answer to the salary

No.	Variables	Strongly Agree	Agree	Don't know	Not agree	Strongly not agree	Arithmetic Mean	Standard deviation	Arrangement
1	I am paid a salary commensurate with my situation	-	13	1	31	84	1.558	1.45	5
2	There are various incentives	-	8	-	51	70	1.581	1.62	3
3	My salary is commensurate with the living requirements	-	4	-	61	64	1.566	1.48	4
4	Salary is appropriate with my colleagues in the same profession	-	6	26	59	38	2.00	1.39	2
5	The salary commensurate with the importance of the work I do	-	3	31	60	35	2.016	1.58	1

Table (9) showed that the job satisfaction of employees in these companies is not satisfied with the salary they receive. The total average of this variable is (1.744), ie the employees are not satisfied with the salary, Indicates that the lack of physical security for them, the human is working against the return of financial incentive and if this revenue is less certainly give it, the successful management must take into account the motivations of individuals and their needs so that the system of incentives and wages appropriate and may be reflected in the level of performance and to the resentment of workers and In several ways (absenteeism, delay in work) Etc.). The driving factors are those whose availability depends on the amount of performance and is directly proportional to that performance (Mohammad Kassem, 1990, 131)



3	There is clarity in the instructions issued by the administration	43	37	31	11	7	3.768	1.27	1
4	I feel the administration is careful to hear staff proposals	-	8	89	27	5	2.775	1.09	2
5	There is sufficient and appropriate delegation from the chief decision maker to work	-	11	76	29	13	2.659	1.14	5

Table (7) shows the results of the relationship between the presidents and subordinates of the study sample. The overall average of this variable is (2.924). The first rank (there is clarity in the instructions issued by the administration) is an average of (3.768) and a standard deviation (1.27). This paragraph, which indicates that only the official books and instructions that come from the ministry concerned with these companies can be delivered smoothly and follow-up by the administration and the possibility of interpretation of the work, that is, the workers in these companies have only received administrative orders to implement directly without cooperation between management Subordinates and The improvement of the other variables above is due to the status of these companies and their non-productivity and obtaining continuous profits covering the raw materials and incentives for employees to raise the level of pensions and improve production and thus achieve their desires on the various physical, social and psychological levels.

Table (8) shows arithmetic mean, standard deviation, and repeatability alternatives for safety at work

No.	Variables	Strongly Agree	Agree	Don't know	Not agree	Strongly not agree	Arithmetic Mean	Standard deviation	Arrangement
1	I feel the recognition and appreciation of the chiefs for my work	-	17	48	41	23	2.457	1.33	4
2	The method of evaluating performance is correct and fair	7	12	65	33	12	2.759	1.42	2
3	I am pleased to find the cooperation of my colleagues	49	54	17	9	-	4.109	0.883	1
4	The Department is committed to health insurance for employees	2	5	89	14	19	2.666	1.54	3



have this property if the husband is not employed or does not work in the private or public sector or has special needs.

The mean age difference was (1.41), the standard deviation (0.51), the second age group (1.29), the standard deviation (0.47), the value of (0.47) This is due to the fact that many of the employees of these companies have spent many years in their work and have not achieved what they have done. They want him to be ambitious or tender at work and thus their level of satisfaction is low.

There were differences in favor of those with intermediate qualifications (primary, middle and middle), with an average of 3.57 and a standard deviation of 0.72 and a value of 9.413 at 0.05. Despite the existence of university degrees that fit with the administrative functions in these companies.

In the variance of the years of service, there were no differences between them, where the mean (1.76) and standard deviation (0.47) for (less than 14 years) and mean (1.81) and deviation (0.53) for persons (15 years and above) and value (T) (2.019) 0.05). The researcher attributed this to the low satisfaction in them does not differentiate whether the service is long or less because there are no incentives and job and psychological security in these companies for the decline in production and other factors.

There were differences in favor of the wage earners (500 thousand and more), where the mean was 2.92 and the standard deviation was 0.79 and the value was 12.711 at 0.05. (1993), which dealt with the relationship between job satisfaction and financial return, and found that there is a strong relationship between them.

table (7) shows the arithmetic mean, the standard deviation and the frequency of alternatives to answer the relationship between the superiors and subordinates

No.	Variables	Strongly Agree	Agree	Don't know	Not agree	Strongly not agree	Arithmetic Mean	Standard deviation	Arrangement
1	My direct manager contributes in helping me while I find it difficult	-	13	84	21	12	2.752	1.16	3
2	There is a fair in the distribution of labor duties among employees	2	23	65	18	11	2.666	1.32	4



within (10-14) and repeated 44 (34.109%) and note that the other largest proportion of (15-19) years by repeating (43) (33.333%) and then (20) years and over with a frequency of (32) and a ratio of (24.806%). This means that the large proportion of occupants of the job of young age, despite the large percentages of other ages.

4-5 Monthly Salary:

Table (5) shows the distribution of the sample according to the monthly salary

years' Experience	Repetition	Percentage
Less than (200) thousand	2	1.551%
From (200) - (399) thousand	15	11.628%
From (400) - (599) thousand	28	21.705%
From (600) - (799) thousand	36	27.907%
(800) thousand and more	48	37.209%
Total	129	100%

Table (5) shows the distribution of the sample according to the monthly salary and that the highest percentage of employees fall within the salary of (800 thousand and over) and the recurrence of (48) by (37.209%) we note that the other largest percentage of salary (600 - 799 thousand) 27.907%) for the periods of years of service in the previous table within the salary scale of the nominal salary and the allowances of the certificate and the spouses and children have improved the salaries of this sample.

Table (6) shows the T test to indicate the differences between job satisfaction and variables (gender, age, school qualification, years of service and salary)

Variables		Arithmetic means	Standard Deviation	Value (t)	Level of significance
Gender	Male	1.13	0.22	3.482	*0.05
	Female	1.21	0.35		
Age	Less 30-39	1.41	0.51	1.627	0.05
	40 years and over	1.29	0.47		
Educational qualification	Medium Qualifications	3.57	0.72	9.413	*0.05
	Good qualifications	2.00	0.43		
Years' experience	14 years and less	1.76	0.47	2.019	0.05
	15 years and over	1.81	0.53		
Salary	400 thousand and less	1.23	0.41	12.711	*0.05
	500 thousand and more	2.92	0.79		

Table (6) shows that the results of work satisfaction by gender for females were found to be 1.21 and 0.35 and 3.82 respectively). The researcher attributed this to the fact that males are responsible and physically committed to their families and society, In some cases, they



From (30) - (39) years	38	29.457%
From (40) - (49) years	45	34.884%
From (50) years and above	30	23.256%
Total	129	100%

In Table (2), the sample was distributed according to age. The highest percentage of employees was aged (40-49), 45 recurrences (34.884%), because they were not recruited in recent years because these companies are not productive. The majority of employees after the political separation or leaving work in that period, we notice that the largest percentage of the period (30 - 39) years by (29.457%) and then (50) years by (23.256%) and most of them in retirement.

4.3 Academic Qualifications:

Table (3) shows the distribution of the sample according to the scientific qualification:

Scientific qualification	Repetition	Percentage
Primary	45	34.884%
Intermediate	33	25.581%
Secondary	37	28.682%
Bachelor degree	13	10.078%
Higher certifications	1	0.775%
Total	129	100%

Table (3) shows the distribution of the sample according to the scientific qualifications and the highest percentage of employees fall within this qualification is (primary), which is repeated (45) by (34.884%). Note that the other largest proportion of repeat (37) and 28.682% (25.581%). Most of those who were appointed in the previous period, and most of them came to these companies for the very high incentives then, where the monthly salary of most of the state employees did not exceed (3) thousand dinars only The incentives in these companies exceeded (100) thousand with other requirements such as fabrics and others.

4-4 years' Experience:

Table (4) shows the distribution of the sample according to the years of experience

years' Experience	Repetition	Percentage
From (1-4) years	0	0%
From (5-9) years	10	7.752%
From ((10-14) years)	44	34.109%
From ((15-19) years)	43	33.333%
From ((20) years and above	32	24.806%
Total	129	100%

Table (4) between the distribution of the sample according to the years of experience and the highest percentage of working experience falls



- The arithmetic average for the extraction of the average order of each of the terms of the study axes, the standard deviation and percentages for each of the areas of the questionnaire.

The standard deviation measures the dispersion range of the responses for each statement. The researcher followed the following measurement in this study:

- A standard deviation of less than (1) means concentration of responses and non-dispersion of mean responses, indicating that there is a convergence of responses in the majority.

- The standard deviation is greater and equal (1) means that the responses are not concentrated and dispersed and indicate the divergence of responses. The majority of respondents from the sample are from the content of the phrase.

Correlation coefficient (Pearson).

- Test (T) to derive differences related to variables and level of job satisfaction.

- Use the square (kay).

- The Lycart scale was used for terms related to production from (26-31) and the remainder from (22-40), and used the scale of the (Thrextton) and the mean arithmetic mean as follows:

1. The average (3.5 - 5.0) indicates the high importance of the content of the phrase.

2. The average (2.5 - 3.5) indicates the intermediate importance of the content of the phrase.

3. The average of less than (2.5) indicates the weak importance of the content of the phrase.

The fourth topic: search results

4. Characteristics of the research sample:

4-1 Gender:

Table (1) shows the distribution of the sample according to gender

Gender	Repetition	Percentage
Males	81	62.790%
Females	48	37.210%
Total	129	100%

Table (1) shows the distribution of the sample according to gender, which amounted to (129) employees. The researcher found that the majority in the sample are males (81), 62.790%, females 48 and 37.210%. In these companies the ratio is considered logical.

4-2 Age:

Table (2) shows the distribution of the sample according to age

Age	Repetition	Percentage
Less than (20) years	-	0%
From (20) - (29) years	16	12.403%



and other essential items), as well as other recreational aspects of private transport and a guaranteed living space for all.

The third topic: The applied part

3.1 The Research Methodology:

The descriptive approach refers to the expression of the phenomenon to be examined as it is in fact quantitative and qualitative (Hamdi, 1996, 114). This research will use the description, analysis and interpretation of job satisfaction and its impact on the productivity of some self-financing companies in Diwaniyah.

The researcher relied on the field side to collect and analyze the data related to the field study by means of the questionnaire collected to serve the subject of the study and was distributed and collected to analyze and interpret the effect between them. The sample was distributed to 150 employees in these companies (50) (Male, female) and mostly women for ease of dealing with them by the researcher, and was canceled several forms for not answering fully or repeat the answer to one alternative and not resolve the answer to most of them where it became Eye After the exclusion of non-valid (129) form.

3.2 Questionnaire:

The researcher has relied on the questionnaire or questionnaire on job satisfaction and productivity of the employees in these companies in several procedures including:

3.2.1 Validation of the questionnaire (job satisfaction):

This questionnaire was prepared by the researcher in its initial form through the use of literature, studies and scientific sources that were able to be obtained in the field of study and were presented to some specialists through personal interviews regarding the psychological aspect of job satisfaction and making some adjustments and their comprehensiveness to achieve the goal to be studied. (5) at the level of significance (0.05) and the degree of freedom (1) indicating the veracity of the questionnaire and the possibility of its dependence on the study sample.

3.2.2 Stability of the questionnaire:

The validity of this questionnaire was verified through the distribution of (15) form for the employees of these companies and the study community. They were redistributed over the same sample after (7) days and through the use of the simple correlation law (Pearson) (0.05) and degree of freedom (28). This indicates the stability of the questionnaire and its applicability to the study sample.

3.3 Statistical Methods and Methods of Research:

The data was statistically processed through the Statistical Pouch (SPSS), issued 20, and the researcher used the following statistical methods:



Regulatory factors related to organization, conditions and conditions of work.

- Factors related to the environment and other systems in which the organization is organized or dealt with.

3 - Measuring Job Satisfaction:

Job satisfaction represents a range of intangible feelings and sensations, so the ability to recognize them is not easy. Overall, there are two types of job satisfaction measures: (Al Dosari, 2010, 44)

- The Objective measures: In this type, job satisfaction is measured through behavioral effects such as employee absences and leaving the service.

Self-Metrics: It measures direct satisfaction but self-assessment techniques by asking individuals about their feelings about different aspects of work or how satisfied they are.

4. Productivity:

The concept of productivity is often mixed with other concepts such as efficiency, which means the proportion of the organization's resources (physical, human, technological, informational) that contribute to production during the process of manufacturing, efficiency and means the use of the resources of the organization to achieve its goal And more commercial than the non-profit establishment (Abdul Khaliq, 1982, 29). The difficulty of determining productivity has been reflected in the method of measuring and evaluating the productivity of government employees in general. Some of the traditional measures of productivity in the government sector have been dominated by actual output, labor volume and level of service.

And the production of the self-financing companies belonging to the Ministry of Industry and Minerals linked to many of the stimuli, data and circumstances surrounding the workers in Iraq and the extent of their awareness of the attitudes and trends and tendencies and their association with the economic situation of the state in general and the legislation related to staff and the availability of administrative competences and communication as well as social problems such as nepotism and weak incentive system.

And the weakness of product marketing in these companies and the lack of acceptance of markets for products and the use of products neighboring countries or others, such as China as an alternative to the national product of the factors that negatively affect the revenues of these companies and thus on the financial returns through which the salaries and incentives are provided at the present time and the employee's confidence in financial inputs Provide adequate and simple livelihoods (such as food, drink, rent,



The second topic: theoretical framework

1. The Job satisfaction:

Job satisfaction is defined as an internal state of the human being that contributes to the creation of feelings and positive attitudes towards work, as it is a set of beautiful feelings (acceptance, happiness and enjoyment) that the employee feels the same direction and function and the institution in which he works and which turns his life and then his work into real fun.

Or that the degree of satisfaction of the individual that makes him satisfied with his work is receptive to him and achieve his aspirations and desires and professional tendencies and proportionate to what the individual wants to work and what he gets in reality (Abdel Salam, 2005). The Job satisfaction is usually influenced by several factors, the most important of which are personal factors such as age, level of education, factors related to the circumstances of the individual's lifestyle, the nature of his work, the salary he receives, working hours and the nature of the relationship with his colleagues and bosses. The interest in job satisfaction began at the beginning of the twentieth century, There is a difference about defining a specific definition or concept for this term because it is related to the feelings of the individual and is often difficult to interpret because it is exciting to change the feelings of individuals in different situations.

There have been many definitions of the concept of job satisfaction, which led to differences and mismatches in some cases due to several reasons including:

- Confused by researchers between the concept of job satisfaction and other concepts such as morale, trends and tendencies.
- The difficulty in defining a comprehensive definition of the concept of job satisfaction as it relates to the emotional aspect of human life.
- The complex and interrelated interaction of factors that can affect satisfaction, man is affected by the surrounding environment and cannot be fragmented.

"All the theories of motivation, motivation and some of the theories of need are that getting more than what he wants makes him more satisfied and satisfied," says Keller. "The degree of satisfaction is the difference between what one actually achieves and what one aspires to achieve" (Nasser, 1999) , 190).

2 - Factors affecting job satisfaction:

Some believe that job satisfaction has different aspects and components that lie in the content of the job and its organizational conditions and factors that directly affect or work to find job satisfaction and determine the extent of:

- Self-factors related to the workers themselves.



Third: Research Objectives:

The research aims to:

- 1- To identify the job satisfaction of the employees in these companies.
- 2 - Identify the levels of productivity of workers.
- 3- Identifying the effect of employee satisfaction on productivity.
- 4 - Identify the functional basics related to the level of job satisfaction in the employees (salaries, job security, working conditions, relationship between presidents and subordinates, promotions and incentives).

Fourth: The hypotheses of research: The research starts from two main hypotheses:

1. There is a statistically significant relationship between employee satisfaction and productivity.
2. There is a significant impact of the satisfaction of workers in self - financing companies (under consideration) in their productivity.

Fifth: The place of conducting the research:

The General Company for the Rubber Industry, and the General Dairy Company in Diwaniyah Province, one of the Ministry of Industry and Minerals in Iraq.

Sixth: The Research Sample:

150 employees were selected as sample workers in the self-financing companies in the province of Diwaniyah. The sample of the sample was (129) employees from these companies, who are distributed in terms of administrative titles, observers, people, units and employees.

Seventh: Previous Studies:

- Darwish Yusuf Study (1999) ((Analysis of the relationship between satisfaction with internal and external justice and the level of actual physical return of the job, organizational loyalty and job performance)

Which was conducted on a sample of (567) employees in government institutions in the United Arab Emirates, which found that satisfaction with the external justice of the material return from the job as well as satisfaction with the level of actual material return affect positively in organizational loyalty, while satisfaction does not affect Internal justice of the material return of employment in organizational loyalty.

- Study of Fouad Al-Omari (2000) ((job satisfaction in the public bodies in the State of Kuwait comparative study)).

(501) found a difference between the grades of job satisfaction according to the work environment, the management methods and the expectations of the employee from his job, and the personal characteristics such as (gender, scientific qualification), which were conducted by two independent governmental bodies represented by the General Authority for Minors Affairs and the General Organization for Social Insurance. , Functional factors (number of years of experience, and career level) have no clear effect or slight impact on satisfaction responses among sample members, except for gender, females were less satisfied than males with regard to promotion opportunities.



suffer many problems as well as the low wages of workers in these companies, which are known as self-financing companies, which in turn reflected on the decline in production of workers also came in the current research examines the method of scientific analysis of the impact of satisfaction of workers in the productivity of self-financing companies, The most prominent causes of this phenomenon, which have been affected in recent years because of the country suffers from the state of low oil prices, which is the main source of economic income (budget), this make them pay attention to administrators and researchers and find ways to address them and make the necessary recommendations and recommendations on them to the management of those companies.

The first topic: Research methodology:

Firstly : the research problem:

Through the field visits conducted by the researcher for self-financing companies operating in Diwaniyah Governorate (textile factory, tire factory, dairy factory) and to get acquainted with the reality of the situation in the productive departments and hold some meetings with some of the employees on the subject under study. To the problem of research uncertainty of the degree of satisfaction of workers and their impact on production and the implications of that on their performance and the adoption of the market on the output of these companies, on the other hand to crystallize the following question:

- Is there an impact on the satisfaction of laborers in self-financing companies (under consideration) in their productivity.

Second: The importance of research:

The importance of research is that it deals with one of the subjects that is one of the critical success factors of the organizations, especially the productive ones, because they are closely related to the morale of the employees and the impact on their productivity. The managers are aware of the importance of the subject of employee satisfaction and to a large extent, especially in organizations with successful performance, , Because it has a great impact on their motivation to work, and to provide the best performance they have. And that the importance of this study is illustrated by bridging the gap in job satisfaction among workers in self-financing companies and their impact on their production:



***The Job Satisfaction and its Effect on Employee's Productivity:
An Analytical Study of Opinions of a Sample of Employees
in Self-Financing Companies in Diwaniyah Governorate***

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Abstract

The goal of this research is to focus on the subject of job satisfaction for the employees of the self-financing companies in Diwaniyah Governorate in order to measure the effect of this variable on the productivity of the employees of the self-financing companies. A random sample of 150 employees was selected with 50 employees in each of the three companies (The textile laboratory, the rubber factory, the dairy factory). The researcher adopted a questionnaire that was counted as a measure in this research, distributed to the sample members, and (129) valid answers were retrieved. In order to analyze the results and choose the offers, The research reached some conclusions, the most important being the level The job satisfaction of women workers is higher compared with the level of job satisfaction among male employees, and the levels of production with satisfaction and the conditions surrounding the work are closely and uniformly linked. In addition, the research presented some recommendations. The most important is the need for the Ministry of Industry to assume greater importance for job satisfaction In particular, companies operating in the province of Diwaniyah because of their significant impact on increasing their productivity on the one hand and achieving higher levels of industrial development in the country.

Key words : The Job Satisfaction , Employee's Productivity , Self-Financing Companies.

1. Introduction

The Iraqi industrial sector witnessed a significant deterioration during the period leading up to 2003 (especially the period of economic siege imposed on the country at that time). The Iraqi industry was not better after this year (2003) than in the previous period. Other conditions prevented the improvement of production levels In the local industry and



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Bank value = 6.371 –(0.003x Earnings management) – (0.489 x Bank size) + (0.001x Financial leverage) – (0.003 x Bank age)

This equation showed the relation between the research variables by the coefficient (B).

Negative value of B2 refers to the reversal relation between the independent variable (Earnings management) and the dependent variable (Bank value).

9- Conclusion

This study aims to examine the impact of earnings management practices of the firm value of Iraqi private banks. The sample banks of 10 private banks listed in Iraq stock Exchange using a data extracted from the annual reports of the sample banks during the period from 2006 to 2015. The results indicate that earnings management practices seek to gain the confidence the stakeholders through the earnings numbers reported in the financial reports. The results shows that the earnings management have an influence on the firm value of the banks by the supporting the market values of their shares. In addition, earnings management behavior is a personnel decision of the bank's management to convey a good image about the performance of the bank to the stakeholders. The findings of the study also states the earnings management is an outcome of the flexibility of accounting standards permits to the companies to manipulate the earnings between the periods. Finally, this study provides a guideline for stakeholder in general and the investors in particular to discover the states in which a potential bias or intentional intervention to improve the bank value by the improving the earning figures.

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By using the statistical analyzing program SPSS, results were as follow:

Table (4) Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.387 ^a	.15	.113	.7821116

a. Predictors: (Constant), Company capacity, Financial leverage, Earnings management, Age of the company

Table (5) Contrast

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	10.103	4	2.526	4.129	.004 ^a
Residual	57.500	94	.612		
Total	67.603	98			

a. Predictors: (Constant), Company capacity, Financial leverage, Earnings management, Age of the company

b. Dependent Variable: Value of the company

Table (6) Treatments

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	6.371	3.096		2.058	.042
Earnings management	-.003-	.015	-.018-	-.184-	.854
Capacity of the company.	-.489-	.291	-.236-	-1.680-	.096
Financial leverage.	.001	.001	.054	.558	.578
Age of the company	-.003-	.002	-.188-	-1.334-	.185

a. Dependent Variable: Value of the company .

The model summary shows the dual correlation factor (R) between the two variables is (0.387), while specifying factor is (R square) is (0.15), i.e. , 15% of the change in the dependent variable (bank value) attributed to the change in the independent variable (earnings management), also we noticed that the Std. Error of the estimate was (0.782) and it is a tiny value, the decreasing in such kind of mistake, the less mistake of estimation.

The ANOVA table showed Mean Square of Residuals is (0.612) and it is the average of mistake of estimation, F value is (4.129) and it is higher than tabular value of (1.93), evidence level is (0.004) and representing the sample reliability or what is called (P-Value), this evidence is much less than the acceptable mistake in the social sciences which is defined already as (0.05), hence this hypothesis is accepted.

The table of coefficient of the declination function above mentioned, that the equation of slope was as follow:



From above mentioned results, we noticed the level of incorporeal of test was (0.841) and it is much higher than the acceptable mistake in the social sciences which is (0.05), so the hypothesis will be refused.

Second hypothesis :

In order to test this hypothesis , sample banks been divided into two groups based on the value of the indication (Q) to measure the value of the bank as follows:

- First group includes the views where Q value was <1, 90 views and given the number (0).
- Second group includes views where Q value was >1 , 9 vies , given the number (1)

By using Binomial statistical analysis , results were as follow:

Table (3) Binomial Test

		Category	N	Observed Prop.	Test Prop.	Asymp. Sig. (2-tailed)
Company value	Group 1	1	9	.09	.50	.000 ^a
	Group 2	0	90	.91		
	Total		99	1.00		

a. Based on Z Approximation.

We can noticed that the corporeal level of the test was (0.00) and it is much less than the acceptable mistake level in social sciences which is already determined as (0.05), hence this theory is acceptable.

Third hypothesis :

In order to test this hypothesis , we created the following statistical sample :

$$Q_{it} = B_0 + B_1 \text{ Earning } M_{it} + B_2 \text{ Size}_{it} + B_3 \text{ Lev}_{it} + B_4 \text{ Age}_{it} + \varepsilon_{it}$$

As :

Q_{it} = Bank value.

$Earning M_{it}$ = Earnings management of the bank.

$Size_{it}$ = Bank size.

Lev_{it} = Financial leverage of the bank.

Age_{it} = Age of the bank.

E_{it} = Estimation mistake.



therefore the bank value get influenced by cheating and manipulating that are used by the bank management that exploit the gaps exist in the accounting applications and policies.

7-Practical Side:

Measurement of the research variables

First: - Independent variable (earnings management).

Second:- Dependent variable (Bank value).

Third: - Controlling variables.

- 1- Capacity of the bank.
- 2- Financial carrier.
- 3- Age of the bank.

Table (1) Statistical description of research variables.

	N	Minimum	Maximum	Mean	Std. Deviation
Earnings management	99	-29.7960-	24.2410	.087677	5.2114608
Value of the company	99	-.5310-	4.6680	.314152	.8305569
Capacity of the company	99	10.432	12.262	11.44922	.400528
Financial Carrier	99	.245	826.730	8.98643	83.025150
Age of the company	99	52	275	158.89	54.259
Valid N (listwise)	99				

8- Results of testing the hypotheses :

First hypothesis :

In order to test this hypothesis, we divided the banks of the samples into two groups based on Miler index for earnings management as follows:

- First group included the views of earnings management by decrease , were (48) view and has been given (0) number.
- Second group included the views of earnings management for increasing and were (51) views given the number (1).

Using the statistical analyzing (Binomial), the results of the tests was as follow :-

Table (2) Binomial Test

	Category	N	Observed Prop.	Test Prop.	Asymp. Sig. (2-tailed)
Earnings Management	Group 1	0	.48	.50	.841 ^a
	Group 2	1	.52		
	Total	99	1.00		

a. Based on Z Approximation.



increasing of requests of the shareholders to pay their funds which leads the bank to lend from other to pay them.

6-7: Measurement of Earnings Management.

There are many ways to measure the earnings management can be listed as follow: (Humaidy, 2011: 76-86)

1- Optional Payments Method: Based on comparing the annual expenses against the annual revenues of each bank to know the result between them of profit or loss, using this method , due to the flexibility in work of it , so it gives a wide space to the bank to use the personal opinion and estimations which lead to easy application of earnings management by the administration, samples of this method (1985 Healy, 1991 Jones, Industry model, 1986 De Angelo).

2-Method of contrast factor: This method of measuring earnings management depends upon a hypothesis of that the profit is a linear function of another variable, as the measurement done by opposing the profit against the contrast of the another variable to find out if there is earnings management or not, some of these samples are (Eckel 1981, 2001 Chaney and Lewis).

3-Miller method 2007: This method is used in measurement of earnings management, by which we can discover the banks that intentionally rely by its management on intervening the process of determining the periodic profit, this method is represented by measuring the relation between the change of the active capital against the change of the monetary supply from the working activity, and comparing the result of the current year with the same relation for the previous year, if the result be zero means the bank doesn't practice earnings management, while if the result was not zero means the bank practice the earnings management.

4- Method of voluntary items: This method based on testing a punch of styles that are used in earnings management to reduce the unexpected deviations in the profit like (Abnormal items, sample of measuring, 1976 Baranea and Sadan and Ronen, 1975 Sada and Ronen , change in the used styles in the accounting processes, samples are, 1987 Moses, 1996 Inoue and Herrmann) .

6-8: Effect of Earnings Management upon the Bank Value.

earnings management is considered one of the method that company resort to in order to manipulating the data shown in the financial reports that face vast concern by shareholders and clients, to give a shining face of these report and show numbers that reflect high earnings scored by these banks in order to attract the shareholders to deal with such banks, consequently the bank value will be higher when they show such reports,



been used in order to subsiding the tension between the management and shareholders.

3- Organizing motives: Some managers tend to use the earnings management to make use of the rules that company deals with, these rules either be special for banks like the requirements of achieving the capital, or a general like the legislations of fighting the monopoly that have main goal of reducing the intervening of the government in the work of these companies or acquiring the supports from the government.

6-5: Methods of Earnings Management :

The management used many methods that influenced upon the earnings, one of these methods are: (Shaheen , 2011:9)

- 1- The management works on magnifying the earnings via reducing debts that are suspected to be obtained by reducing the ratio of their obtaining when it comes to classify them.
- 2- Classify some expenses like maintenance as a capitalistic expenses and then being added to amount of earnings.
- 3- Not registering the processes related with selling the findings or stock exchanges in the same date of selling and then that would influence the amount of annual earnings.
- 4- Sometimes the managers intend to evaluate the store stocks with high market values when they apply the equation of cost or market which one is less in order to magnifying the earnings.
- 5- The management works on increasing the productivity age of the findings that works on reducing the annual extinction installment.

6-6 : Risks of Earnings Management:

When the management works on using practices of earnings management so there will be some risks may influence upon the bank we mention some of them :(Al-Ashkar 2010: 34-35)

- 1- External risks of the bank: These risks may be political, economic or public risks, showing the earnings in the financial report in improper way will lead to an increase in the taxes consequently influence the distribution of earnings, in return when the administration used this kind of earnings management may lose some of the clients confidence and then that will extend to another banks.
- 2- Internal risks of the bank: These risks are represented by the risks that influence the bank internally, the practicing of the bank to the earnings management may result in losing some shareholders and then rising of expenses related with capital and losing the competition privilege,



and practices in order to obtain unreal earnings via manipulating the values of expenses and revenues.

6-3: Styles of earnings management

Styles of earnings management are represented by (Jasim and Mohammed, 2011: 452-455).

1- Accounting policies: means changing the applied method in the accounting practices like changing from the method of : Using the method of income is first outward is first to income instead of the method of outward is last income is first, and being careful that the modified accounting policy should not contradicted with the generally-accepted accounting principles, and the bank should continue in his new policy for a certain period.

2- Basis of merit : The basis of merit is represented by the accounting processes that happened during the year like increasing in the origins, commitments and incomes to apply the principles of comparing the incomes with the expenditures.

3- Personal estimation: Personal estimation is considered one of the reasons that lead the administration to the use of earnings management, it influences when using the financial reports and being the main reason of using it is to obtain agreements with another group of companies, or to give an improper picture for the concerned individuals about the economic reality of the bank.

4- The relative importance : the relative importance is considered very important due to it intervenes in all accounting practices due to it's significant influence upon the showing of data base that show up in the fiscal reports notably against the items of expenses and incomes.

6-4: Motivations of Earnings Management.

There are many reasons that push the companies to resort to earnings management to mention some of them: (Abo Ajila and Hamdan, 2001: 7), (Jabbar, 2016: 11) .

1- Motives of the financial market: Most of investors and market dealers need always the accounting information in order to knowing the share prices, so, in this respect, some managers try to manipulate some financial reports to magnifying the value of shares to attract more investors.

2- Contractual motives: According to the theory of agency that based on several contractual relations, they are emanated from many problems between the management and the shareholders so these contracts have



Choosing to a group of methods and procedures that used by the bank to achieve specific goals via using the available flexibility in the accounting policies in order to influence the financial lists in purpose of misleading the shareholders from the work of the bank or influencing the data that show up in these reports, while it is defined by (Iesa, 2008: 13) as it is an practice done by managers purposely in order to get a personal earning via misleading the users of accounting information, while (Fadawy:121) tended to identify it as " An activity done by the management when doing financial reports in order to influence the profitability of the bank by decrease or increase" , also was defined by (Marai & Pavlovic, 2013:40) as it is the using of managers to the personal decision when they prepare the financial reports in order to misleading the projects owner from the real economic status of the company or to manipulating the accounting numbers that contractual results depend on" .

The research sees that earnings management means exploiting the gaps existed in the accounting rules and use them for the behalf of the bank to reflect a good picture about the economic and financial reality of the bank to attract more shareholders.

6-2: Aspects of Earnings Management.

It is easy to illustrate the aspects of earnings management via the following points (Mulford &Comiskey, 2002:3):

- 1- Hostile accounting : It is application of accounting methods and policies for main purpose of earning earnings regardless the safety and health of these policies and accounting procedures.
- 2- Deceiving financial reports: It is defined as offering reports from the financial head center of the organization via invalid financial database by omitting and not clarifying the real financial database in order to mislead the users of the reports and financial lists.
- 3- Innovative accounting: It is a process that employs the accountants for their experiences in the accounting policies and rules in order to manipulate in the obtained numbers and financial reports related to the organization.
- 4- Decorating the income: it is an accounting manipulating aimed to improving the shape of the income of the financial periods via transferring the high rates of income during past periods to another periods where the income is weak, to let the users be convince that the income is very well of that company, to show that the organization is able to preserve their incomes regardless the surrounding circumstances.
- 5- Practicing styles of innovative accounting : It is using procedures and practices rather than those which are used in proper and valid procedures



fact of most companies resorted to the policy of earnings management via manipulating the gaps existed in banks rules to manipulate the numbers found in fiscal reports, using indexes of stock exchange association in China plus using Jones pattern that is used in measuring the earnings management, the study has come up with the existence of a significant effect of applying companies governance in reducing the practicing of management for earnings management.

- b. Study of (Abdullah and Tawfeek, 2012) entitled with " The Concept Of Accounting Equity And Role In Reducing The Practices Of Earnings Management".

This study tackles illustrating the accounting equity in accounting career due to the huge role in reducing the styles of earnings management, the study has come up with reducing practicing of earnings management embodied in the proper application of the role of equity in the accounting, and abide employees of bank with this policy would avoid the future bankruptcy.

- c. Study of (Ibrahim and Haroon, 2016), entitled with " Judicial Accounting And Its Role In Limiting The Practicing Of Earnings Management In Markets Of Al-Khartom" .

This study tackles a punch of procedures that are based on judicial accounting to discover the used styles of earnings management that have a significant influence upon the fiscal reports, the study also has come up with that there is a big and active role for the judicial accounting in reducing using the earnings management via providing the legal consultancy for companies after raising efficient data and through which we can discover any improper practice related with the fiscal corruption cases.

While, for the position of current study within the previous studies, each study has tackled with an independent subject from the other to deal with the relation with companies governance, other study dealt with it's role with accounting equity, other study dealt with earnings management with judicial accounting, hence, all previous studies didn't tackle with the subject of practicing earnings management and its influence upon the bank value which we are going to study it in this chapter.

6-The Theoretical Side :

6-1: Concept of Earnings Management.

There are many definitions to the earnings management being defined by (Al-Dauor and Abid, 2009, 823) as it is :



- a. What is the type of the earnings management (by decrease or increase) that has been practiced by the private Iraqi banks that are enlisted in the Iraqi stock exchange markets?
- b. Are there differences with significant statistical evidences between the book amount for the principles of Iraqi banks and the market value?
- c. How much does earnings management impact upon the bank value?

2- Importance of the Research:

The importance of the research comes from the fact that it deals with an important side which is earnings management and how much it influences upon the value of the bank via the manipulating processes done by this practice in the fiscal lists published by the banks, consequently influence significantly upon the materialistic status and their value in the market.

3- Aims of the Research:

Aims of the research are represented in the following point:

- a. Illustrating the concept of earnings management.
- b. Briefing the practices of earnings management.
- c. Testing how much the earnings management influence the value of the bank.

4- Hypotheses of the research:

Hypotheses of the research emanated from the problem and aims of the research and could be briefed as follows:

- a. private Iraqi banks management commonly rely on earnings management by increment.
- b. Decrease of book value of private Iraqi banks from the market value significantly.
- c. There is a statistical evidence effect between the practicing of earnings management and bank value.

5- Literature Review :

In this section we will brief the previous studies pertained the research problem:

- a. Study of (Al- Mashhadany and Al-Fatlawi, 2012) entitled with " Accredited Approaches In Measuring Earnings Management Of Companies And Effect Of Governance Techniques In Commuting Them" , this study tackled with how much using of the companies governance in reducing the process of earnings management due to



***The Impact of Earnings Management on The Firm Value:
An Applied Study In A Sample of Iraqi Private Banks***

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Abstract:

The research aims to examine the impact of earnings management practices on the firm value. The sample of study consists of 10 Iraqi private banks listed in Iraq Stock Exchange using data collected from the annual reports of the sample banks for the period between 2006 to 2015. the software package Spss is used to examine the data and to infer the conclusions. The results indicate that the earnings management practices have an influence on the firm value the sample banks by conveying a good image about the profitability power of the bank to the potential investors. The results also indicate that the earnings management practices stem from the flexibility that existed in the accounting standards, which permit to accountants to choose among a several alternatives of the measurement. In addition, the earnings management represents an intentional intervention in the accounting and reporting processes in order to change the perception of the stakeholders about the reality of bank's profitability, and in turn lead to increase market value of the bank. The findings of this study can be used as guideline to investors for detecting the cases in which the earnings numbers managed in order to provide a real evaluation of the bank listed in stock markets.

Key words: Earnings management, firm value, profitability, stakeholders.

1- Problem of the research:

Some companies apply practices of earnings management in order to enhancing earnings consequently gain a lot of shareholders or to reduce their earnings in order to flee from tax paying, whereas, earnings management means using the gaps exist in the accounting policies that work on showing the best view of the bank, it is worth to mention that the banks administrations tend to rapid short-term earnings in order to enhancing their own benefits which are mostly planned against benefits of shareholders represented by magnifying the value of the bank in long term, continuity of earnings and their permanence.

We can brief the problem of the research by the following queries :



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4 - Accelerate the process of banking integration, which has a return on the improvement of banking operations and the creation of a shopping market for banking services.

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Conclusions:

1 - Despite the large number of studies on the integration and the phenomenon of banking integration in the world and the Arab countries, but Iraq has not been to implement the process of banking integration, but remained just studies and formations of teams to study the reality of banking.

2- The banking integration is a double-edged tool, one of which addresses the financial failure of the bank. The second limit increases the ability of banks to compete through a large volume after the merger process, as well as increasing its resources, reducing expenses and increasing banking spread.

3 - The structure of the Iraqi banks show the control of government banks in terms of possession of assets in comparison with private banks, and more than that control of the two banks are Rafidain and Rashid on the process of deposits and loans.

4 - The process of banking integration is one of the ways used by banks to increase their financial resources and the transfer of experience and skills between employees and improve the banking service.

5- The results of the research showed that the merger between the banks in the research sample is the best and the highest value after the merger between the two banks Commercial Gulf and Baghdad in all variables of net present value of the acquisition in cash or shares.

Recommendations:

1- requires the monetary authorities in Iraq to issue laws governing the process of integration in government and private banks.

2- Apply the incentive system to employees in banks as well as stimulate banking departments to compete between banks to maximize their resources and reduce their costs.

3- Abolition of some laws that stand in the process of banking integration, for example tax exemptions, as well as encouraging individuals deposits in private banks and urged the latter to increase the capital banks, which prompts them to increase the turnout of the merger.



Table (4) shows the value of Gulf Commercial Bank and Baghdad after the merger VAB is larger than the value of the Gulf Commercial and Sumer Commercial banks the value before the merger is less after the merger. As well as the NPV estimates of the NPV were positive for all mergers but the highest value was between the Gulf Bank and Baghdad.

Table (5) Net present value according to the analysis of the merger owned by shares (thousand dinars)

Case	The price of the bank's shares SPIA	Number of shares of the Bank NSA	COSTA	Total value of shares to be issued VNSA	Cost of the target bank COSTB	Net present value NPV
Gulf & Sumer	0.73	21.49 64	15.69 2372	42.9928	137176 21	9027116
Gulf & Baghdad	0.73 67	21.49 2372	15.69	42.9928	2.03746 2573	120390474

Table (5) shows that the highest net value achieved after the merger is owned by the shares of the two banks, Gulf Commercial Bank and the Bank of Baghdad, while the lowest value between the two Gulf Commercial Bank and Sumer Commercial.

Table (6)

Net present value after the bank merger according to the analysis of synergy and owned in cash and owned by shares

Case	Net present value after consolidation on a synergy analysis	Net present value after the merger on a cash basis NPV	Net present value on equity
Gulf & Sumer	5090717	45.362	3027116
Gulf & Baghdad	5732880	58847746	12039074

Table (6) shows that the analysis of the synergy and the analysis of the total cost of cash and shareholdings from the table above. The merger between the Gulf and Baghdad banks achieved net value after the merger of the Gulf and Sumer commercial banks, Baghdad is achieving the highest value.



Table (2) shows that the net value achieved after the merger between the two banks, Gulf Business and Bank of Baghdad, amounted to (5732880) thousand dinars, the largest value of the second merger between the Gulf Business and Sumer Commercial Bank, which amounted to (5090717) thousand dinars, The table above shows the sequence of the two banks' mergers in achieving the highest value.

Table (3) Risk Free Rate of Return, Market Portfolio and Discount Rate for Banks Sample Study (thousand dinars)

Bank name	Rate of Return	Return Portfolio	Bonus	Beta coefficient	Discount rate
Gulf	0.06	0.13	0.07	0.38	0.08
Sumer	0.06	0.13	0.07	0.49	0.09
Baghdad	0.06	0.13	0.07	0.41	0.09

Source / Data of the Iraqi market for securities 2015.

Table (3) shows that the return of the RM market portfolio for all the banks listed in the Iraqi market for securities in the research sample is equal to (0.07). The discount rate D was positive for all the sample banks and the highest discount rate was in the two banks (Sumer Commercial, Baghdad) (0.09) This indicates that the two banks tend to increase risk in the case of going into the policy of investment and borrowing, unlike the Gulf Arab Bank, the lowest tendency to risk. Beta Bi is a measure of systemic financial risk ranging from 0.38 to 0.49 to Sumer Commercial Bank and Commercial Bay, respectively. Bank of Baghdad was between the two ratios. This shows the correlation with the discount rate as the risk of Sumer Commercial Bank and its decline to Gulf Commercial Bank To invest in the merger for low risk.

Table (4) Results of analysis of the cost of the merger owned by cash (thousand dinars)

Case	The value of the syndicated bank VA	The value of the merged bank VB	Value of the two banks after the merger VAB	Cost of merger COSTB	The value of the merged bank after its merger VB	Net present value achieved after the merger NPV	The value of the two banks after the merger VAB
Gulf & Sumer	61542 721	40271 632	10690 5070	55.426	45362 349	45.362	61.542
Gulf & Baghdad	61542 721	53114 875	120390 476	8.232 94	58847 755	58874 746	67427 497

Source / Iraq Stock Exchange Data Corporate Directory for 2015.



Equation (9) is produced by subtracting the value of equation (2) from the value of equation (8).

The options available for banking integration between banks were the same as research:

1. Gulf Commercial Bank with Sumer Commercial Bank
2. Gulf Commercial Bank with Bank of Baghdad.

The estimates of the analysis of the synergy of banking integration have emerged according to the following stages.

Table (1) Net profits, value of investments and cash flow value of banks before and after the merger (thousand dinars)

Directory of Companies Iraq Stock Exchange 2015

synergy integration	Net merger NPA	Extinction DEPA	Cash flow CFA	Net profit NPB	Extinction DEPB	Cash flow before merger CFB	Cash flow after merger CFAB	Average growth rate G
Gulf & Sumer	295867	463167 74	492686 41	280310 76	42087 82	32239 858	85583 923	0.05
Gulf & Baghdad	295867	463167 74	49268 641	28491 734	14029 911	4252 1645	9637 9800	0.05

It is clear from Table (1) that the value of cash flow after the merger between the two banks Gulf and Baghdad amounted to (96379800) thousand dinars, which is greater than the value of the cash flow of Gulf Commercial Bank and Sumer Commercial which amounted to (85583923) thousand dinars.

Table (2) The value of the banks (A) and (B) before the merger of the banks and after it according to the analysis of synergy (thousand dinars)

Inclusion cases	The value of the syndicated bank VA	Embedded Bank Value VB	Value of the two banks after the merger VAB	Net value achieved $V \Delta$	Mergers arrangement
Gulf & Sumer	61542721	40272632	106905070	5090717	2
Gulf & Baghdad	61542721	53114875	120390476	5732880	1

Source / Iraq Stock Exchange data 2015 and the use of analysis of synergies



As:

VAB: The total value of banks A and B after merger.

VA, VB: Bank A, Bank B.

$V \Delta$: net value achieved after the merger.

Stage 2: Determination of the cost of cash for the bank A:

$$COSTA = VSA = P1A * NSA \dots\dots (6)$$

As:

COSTA: Cost of acquisition of cash for the merchant.

VSA: The total value of shares of Bank A.

SP1A: Bank A share price at closing.

NSA: Number of shares of Bank A.

Stage 3: Determining the number of shares issued by the bank A:

$$VNSA = COSTA / P1A + NSA \dots\dots\dots (7)$$

As:

VNSA: Total value of shares to be issued by Bank A.

Stage 4: Estimated cost of the target bank (B):

$$COSTB = VB / SP1A * VAB / VNSA \dots\dots\dots (8)$$

As:

COSTB: The cost of the target bank (B).

VB: Target Bank Value B.

VAB: The total value of banks A and B after the merger.

SP1A: A share value for bank A at closing.

VNSA: Total value of shares to be issued by Bank A. Equation (8) is achieved by dividing the output of equation (5) by the result of equation (6), then multiplying their output by dividing by dividing the value of bank (B) by the share price of bank A at the close.

Stage 5: Determination of the net present value of the target bank B:

$$NPV = VB * - COSTB \dots\dots\dots (9)$$

As:

NPV: The net present value of the target bank B, the amount of realized profits or losses resulting from the merger.



VA: The value of the syndicated bank (A).

VB: The value of the merged bank (B).

Stage 2: Estimation of the value of (B) after its merger with the bank (A):

$VB * = VB + \Delta V \dots\dots \dots (2)$ Because:
The value of the merged bank (B) after its merger with bank (A), which is achieved by adding the value of the bank (B) to the result of equation (1), which represents the value of bank A to bank B.

Stage 3: Estimate of Net Value Status of the merger:

$$NPV = VB * - COSTB \dots\dots\dots (3)$$

As:

NPV: Net present value achieved after the merger.

VB *: The value of bank B after its merger with bank A.

COSTB: The cost of the purchase of the bank (B), which is equal to the amount paid by the aggregate bank (A) to purchase all the shares of Bank B in cash.

Equation (3) is achieved by subtracting the result of equation (2) from the cost of purchasing the bank (B).

Stage 4: Estimate the value of banks (A) and (B) after the merger: -
 $VAB * = VA + NPV \dots\dots\dots (4)$

As:

VAB *: Value of banks (A and B).

Equation (4) is achieved by adding the result of equation (3) to the value of the aggregate bank (A).

Second: the cost of the merger owned by shares:

This option is achieved by determining the purchase price of the target B share capital and the ratio of its share with the shares of the aggregate bank (A). For example, the shareholders of the target bank B receive one share in the new merger bank (A)) In exchange for the assignment of two shares from the old bank (B), or through the purchase of shares of the target bank through the Iraqi market for securities against the issuance of certain loan bonds,(Saleh,2012:46),(mohammad,2014:155),(Casual,2010:24-25).

This option is achievable through the following stages:

Stage 1: Determining the value of the merger:

$$VAB = VA + (VB + \Delta V) \dots\dots \dots (5)$$



$$RM = \{j / N$$

as:

{j: Total annual rates of return for all portfolio shares.

N: Number of banks involved in the merger process.

Stage 4: Estimation of the Bi coefficient:

The beta coefficient is a measure of the systemic risk that affects the returns of most types of stocks traded on the stock exchange. The systemic risk is caused by general economic conditions whose effects are subject to varying degrees in all productive and service sectors operating in the economy such as inflation, the risk of the situation in the economy or interest rate risk And other factors (Abu Hamad, 2002: 258). Thus, the beta coefficient reflects the degree of volatility of the yield achieved per share towards the return of the market portfolio, and the increase of the betacoefficient indicates the high risk level. -491), (Hindi, 2014: 305-302).

$$Bi = COV (Rj, RM) / Var (RM) \dots\dots\dots (10)$$

As:

COV (Rj, RM): The common variance between the returns to Rj stock and the returns to the market portfolio.

Var (RM): Differentiated returns to the market portfolio.

Description of Cost Analysis and Total Value of Integration:

The cost of the merger is the net value paid by the syndicated bank (A) to the shareholders of the merged bank (B), or the premium provided by the aggregate bank (A) to the merged bank (B), and more than its value as a separate economic unit, The premium paid to the merged bank (B) in cash or through the share swap (Saleh, 2012: 44). The cost of the merger can be divided into two parts:

First: The cost of the merger owned by cash: -

One of the options for bank integration is that the syndicate bank (A) owns the target bank (B) in cash, by buying all its shares in cash, and this option is in several stages, including: (Saleh, 2012: 47-45), (Ardi, Ershad: 16 14):

Stage 1: Estimate of net value achieved after the merger:

$$\Delta V = VAB - (VA + VB) \dots\dots\dots (1)$$

As:

V Δ: net value achieved after the bank merger.

VAB: Value of banks A and B after merger.



D: Discount rate (rate of return on investment).

The discount rate is the lowest rate of return that an investor expects to receive when investing money in ordinary shares rather than postponing its own consumption and carrying the risks attached to that investment (Shoman, 2005: 53). The discount rate (the rate of return required) depends on the quality of the investment, , The higher the investment risk, the higher the discount rate and vice versa if the investment risk decreases (Al-Ardi, 2013: 198). The discount rate is calculated according to the following formula (Abd Ali, 2008: 210).

$$D = RF + (RM - RF) B_i \dots\dots \dots (7)$$

As:

D: discount rate.

RF: risk-free rate of return.

RM: rate of return for the market portfolio.

RM-RF): Risk premium.

B_i: Beta Factor.

The risk-free rate of return (RF) is measured on an average basis on government investments (treasury bonds) or interest rate on savings deposits (Shoman, 2005: 54). The interest rate paid by commercial banks on savings deposits (6.16%) for the availability of data (Central Bank of Iraq, Directorate General of Statistics and Research, 2014, table of interest rates).

The risk premium (RM-RF) reflects the systemic risks that the Bank faces and changes according to the nature of its activities and is commensurate with the increase in the Bank's risk (Al-Shabib, 2010: 86).

Stage 3: Estimation of Market Rate of Return (RM): -

The calculation of the realized rate of return of the market portfolio (RM) requires that the RJ of the sample banks be calculated according to the following equation:

$$R_j = (P_1 - P_0) / P_0 \dots\dots \dots (8) \text{ As:}$$

P₁: The share price is the end of the period (closing price).

P₀: The price of the stock is the beginning of the period (opening price).

After that, the realized yield of the market portfolio (RM) can be Zcalculated by dividing the total annual rates of return realized for all the shares of the market portfolio in that year by the number of banks sample of the study and as indicated in the equations :



will increase the efficiency of the bank in performance (Talib, Moussawi, Hassan, 2013: 322).

The second requirement: the phases of characterization of the analysis of synergy:

The analysis of synergy is one of the strategies of banking integration and goes through several stages, the most important are:

The first stage: Estimating the cash flow equations for both banks (A) and (B) before and after merger.

First: Estimating the cash flow before the merger of the two banks (A), (B):

$CF = NP + DEP \dots\dots (1)$ as:

CF: The value of the bank's cash flow before the merger.

NP: Net profit.

DEP: The value of the extras.

The cash flow equation of the inclusive bank (A):

$CFA = NPA + DEPA \dots\dots (2)$

Bank cash flow equation (B):

$CFB = NPB + DEPB \dots\dots (3)$

Second: Estimate the cash flow after the merger of banks A and B: -

$CFAB = CFA + CFB + [G \times CFAB] \dots\dots(4)$

As:

CFAB: The total cash flow of the two banks after their merger together.

CFA: The total cash flow of the Bank (A).

CFB: Total cash flow of the bank (B).

G: Average growth rate of the two banks.

(G) can be calculated by equation (5):

$G = (NP1 - NP0) / NP0 \dots\dots .. (5)$

As:

NP1: Net profit after tax for the year of comparison.

NP0: Net profit after tax for the base year.

The second stage: Estimating the value of banks A and B after the merger:

$VAB = CFAB / D \dots\dots (6)$

Where:

VAB: Value of the two banks (A, B) after their merger together.

CFAB: The total cash flow of banks (A) and (B) after the merger.



– Through a set of criteria governing the process of integration, the long-term objectives of the joint banking institutions can be defined by the process of integration, such as the extent to which future revenues will improve, banking intensity, technological development.

– Requires banks involved in the merger process is to liquidate all things related to them such as non-performing loans to be prepared for the merger.

– The philosophy of the integrated banking departments should converge, especially if they are from different banking schools.

Justification of the Iraqi banking integration

1. ration and cooperation between them in line with the trend of the modern economy based on the focus in order to reach the best results.
2. The need for companies wishing to merge to reconsider their economic policy with the aim of achieving higher productivity or to compete with other enterprises that carry out similar activities in the market (Alsager, 1998: 13).

5. The applied side of the research:

Characterization of synergy analysis and cost analysis for banking integration:

First: The concept of analysis of synergy

The analysis of synergies is that the new bank resulting from the merger will be worth more than the sum of the value of the merger (Saleh, 2012: 31). Thus, the synergies are achieved when the total returns resulting from the merger exceed the total returns of the two banks before their merger. This means that there is a value added as a result of the merger of the values of the two banks and this is shown in the following equation (Abu Hamad, Hamza, 2016: 15).

$$V = VAB - (VA + VB) \text{ as:}$$

V: net value achieved after the bank merger.

VAB: Value of banks A and B after merger.

VA: The value of the syndicated bank (A).

VB: The value of the merged bank (B).

The value added after the merger is attributed to the synergy, which is defined as the increase in the total value of the two banks after the merger on the forced sum of their value together before the merger, which in turn



Situations and Emergency Situations In spite of the large number of private banks operating in Iraq, their size and activity are still very limited compared with government banks that manage about 90% of the total assets of the Iraqi banking sector in the district Iraqi banks run about 8% of them, and the branches of foreign and Arab banks manage about 2%.

Moreover, the banking sector suffers from its contribution to the credit granted to the gross domestic product (GDP), not more than 10%, while in the regional countries (Middle East and North Africa up to 55% Which is evidence of the weak contribution of the Iraqi banking sector in economic development, in addition to the lack of liquidity in banks, which increases the problem of cash credit to customers, and the lack of financial institutions to support the banking business as a guarantee company deposits and credit guarantee companies and the absence of specialized offices to study and analysis Identifying risks and crises.

Therefore, the activation of the law of banking reform in real and effective through one of its channels is the integration of banking as a necessity to reform and make it more efficient, especially that there is support to start the integration (Central Bank of Iraq report, 2015: 30).

1. The role of the Central Bank in clarifying and clarifying the necessary instructions for the banking integration in Iraq where it was mentioned in Chapter Nine of the Instructions of Implementing the Banks Law No. (3) issued in the Official Gazette No. 4172 on 30/1/2011 according to the provisions of Article (3) no. (94) for the year (2004) and this law was determined by its frameworks and means.

2. The Central Bank of Iraq issued a book 9 \ 3 \ 16724 on 29 \ 11 \ 2015 to the Association of Iraqi banks urging banks to review the conditions or foundations necessary to ensure the success of banking mergers in achieving their objectives were as follows: (www.niiraq.com)

– Create information and transparency in showing all the detailed data through which we can evaluate the integration process.

– The integration process is capable of creating competitive capacity by forming a banking unit without looking at size only, on the basis that large size creates competition.

– Create a kind of consensus between the views and different positions of the boards of directors and employees in the institutions integrated without obstacles or great resistance.

– The process of banking integration in itself is a means and not an end to raise the efficiency of banking performance, and this can occur administrative and control systems.



(B) Negative effects:

1. Banking integration is one of the manifestations of the monopoly or semi-monopoly market, which carries a monopoly of disadvantages even if some governments have legislation that prevents monopoly (Abdel Hamid, 171).
2. Lack of interest to customers due to large volume, which leads to a decrease in the number and thus reduce revenues for costs unless management manages to decentralize the management of the bank.
3. If the size of the target bank is large, it may be more likely to be exposed to loss of market share prices, especially in the absence of competition in the market.
4. The Bank shall bear high financial costs for the restructuring of the Bank if the latter suffers from default (Awadallah, 2003: 98).
5. Increase the risks resulting from the merger when hiding information and data, which leads to increased errors and not correct and correct them in a timely manner (Hanan, 2014: 73).

4. The structure of the Iraqi banking system and the integration

The structure of the Iraqi banking system for the year 2015

- Restructuring is defined as a set of measures aimed at reforming the financial, technical and administrative structures of the bank to enable it to continue successfully. This is achieved through changes and developments in the technical, administrative and financial fields, leading to increased productivity and rationalization of costs.
- The concept of restructuring is considered a comprehensive concept to accommodate the idea of privatization, as the process of restructuring extends to all companies, including state-owned or private sector to improve their chances of success and reach the goals in general. The restructuring of companies may be in the form of privatizing them in a way of privatization by allowing employees or the private sector to own part of their capital in order to develop them, rationalize their expenses and improve their production or services provided by them (Walid, 2014:2).

The number of banks operating in Iraq are 56 banks, including 6 government banks between specialized and commercial and 50 private banks, and the last is divided into 25 local commercial banks, 12 Islamic banks, 13 banks between foreign and Arab. The banking sector suffers from a number of problems, especially private banks. In spite of the activation of the economic reform law and the involvement of the private sector in the administration and supervision, the absence of plans and strategies to rebuild and structure the Iraqi banking sector and weak foundations and detailed policies adopted by banks Risk Management in