



Determinants of demand for banking facilities a practical study of a sample of beneficiaries in DHI QAR governorate

Wafaa Chetheer Mazaal *

Nasiriya Technical Institute - Southern Technical University – Iraq

*Corresponding author E-mail: Waf.Ch@stu.edu.iq

Abstract

Banking facilities are a very important function, as banking departments are concerned about the most important aspects of the recruitment of their funds and the main source of their revenues. The banks have been and continue to act as a financial intermediary between the audience of depositors and investors, they collect savings and guide them to different areas of investment. So we find it interested in the development of credit policies that take into account the achievement of the objectives of the bank and satisfy the requirements of customers and banking laws and legislation. From here, the research highlighted the most important factors affecting the demand for these facilities by applying to a sample of beneficiaries in Dhi Qar Governorate through the distribution of a questionnaire form designed for that purpose. The results of the study showed that the most important of these factors is the high interest rates and discount, which is an obstacle in the request for banking facilities. In light of these recommendations, the most important of which was the need to reconsider the interest rates and discount to encourage customers to request banking facilities and commensurate with the prevailing economic situation and investment opportunities available.

Keywords: Banking Facilities; Demand; Beneficiaries; Guarantees.

1. Introduction

Banking facilities play a prominent role in banking activity in general and are gaining increasing importance in all developed and developing countries alike because they are essential to financing development plans, and banking facilities are among the important and fundamental operations that banks undertake, as they are the most important item for employing funds. Given that bank financing operations are the primary source of the bank's revenue, as it brings great financial resources to it, represented by the interest received on various types of banking facilities, and given this importance of bank facilities, the study of factors A revolution in the demand for it and discovering its shortcomings and limiting its effects is one of the important means to raise and develop it in order to achieve development goals and contribute effectively to the growth of the national economy.

2. Theoretical framework

2.1. Determinants of the demand for bank facilities

There are a number of factors that affect the request of banking facilities, the most important of which are the following:

2.1.1. Interest rates

The interest rate is considered one of the important indicators in analyzing the movement and trends of the macroeconomic and monetary policy tools, as it does not affect consumers' desires to invest or save, but also affects the decisions of businessmen, as the borrower compares the price of Interest with the marginal sufficiency of capital. The higher the interest rate, the greater the marginal sufficiency of the capital, the investor refuses to implement the project and prefers to deposit his money in the bank and vice versa (Kanaan and Muhammad, 2014: 538). From this, the interest rate can be defined as "the price of assigning liquidity Or the price of not hoarding "or he" The price that should be paid to money holders to assign liquid assets in the form of cash or obtain other assets that carry a greater risk"(Jamal, 2012: 30). It is also known as "the compensation that the borrower pays for the profit that the lender could have made from investing his money There are a number of factors that affect the interest rate, including indirect factors such as future expectations of investors regarding inflation rates, and direct factors such as monetary and financial policy and the level of economic activity (Frederic, 2004: 63).

2.1.2. Discount rate

It is the percentage that banks receive from the value of the commercial paper in exchange for its discount before the due date, whereby the banks, in order to increase their cash reserves, re-deduct their commercial papers with the Central Bank against an interest called the rebate rate. And this interest is less than the discount rate that banks charge and therefore the re-discount rate is considered one of the quantitative policy tools that the central bank uses to control the volume of credit. If the central bank wants to reduce the amount of credit granted by banks, it initiates to raise the re-discount rate so it rises. Doing so prices are too high. The interest in lending decreases, thus reducing the amount of credit and vice versa (Al-Serafi, 2007: 332).

2.1.3. Guarantees

A guarantee is defined as the method that gives the bank insurance against the risk of non-payment and helps it to receive its rights in the loan when the customer is unable to pay it. Granting credit, so collateral is the secondary source of the borrower in payment or collateral in case of failure to own assets that the bank can seize and turn into liquidity when the borrower falls short (Al-Shammari, 2009: 9-11).

2.1.4 Fiduciary policy

It is represented in the principles and procedures regulating the method of granting bank facilities, the types of economic activities that can be funded and the manner in which the amounts of required facilities, their types, their terms and conditions are estimated (Ahabq, 2013: 16).

2.1.5. Quality of service

Quality of Service is defined as "the degree of satisfaction that service can achieve for beneficiaries and customers by satisfying and satisfying their needs, desires, and expectations", or it is "matching the service to the expectations and preferences of customers" (Lezzoni & Davis, 2003: 163). So banks should take into consideration the customer's expectations and preferences, as the customer builds his dealings on the good impression created by the bank, as well as the specifications of the service provided by the competing banks, as the perception of customer preferences is what drives the banks to provide everything that is new, and with this Method The bank can continue to meet what the customer expects and orphans G on the Market (Hussain, 2010: 41).

2.1.6. Types of banking facilities

Banking facilities are those services that banks provide to their clients who do business with them and who do commercial, industrial, and service businesses, and whether they do these businesses from the public, private, or mixed sectors, in addition to craftsmen, professionals, and people with low incomes (Icorious, 2001: 25), and the banking facilities vary and vary according to their nature or purpose, so they are divided into direct facilities such as advances and loans, discounting commercial papers and overdraft, and indirectly, such as documentary credit and letter of guarantee, the type of facilities required and the nature of customer activity and the size of A Workers and the guarantees provided by him are considered an important matter that the bank's management takes into account when estimating the customer's eligibility to obtain these facilities (Najm, 2010: 10).

2.1.7. Powers and responsibilities

Banks branches suffer from bureaucratic departments that believe in the centralization of the decision as well as the limited powers of branch managers in granting banking facilities, which leads to delaying the completion of transactions and approvals related to the decision to grant them, and this reflects negatively on the management of the branch and thus misses the opportunity for it in Achieving interest, which requires granting them some powers to help them complete their work quickly and without delay without referring to the public administration except in the necessary cases in order to avoid the routine that leads to delaying the work, and this depends on the extent of the public administration's understanding of banks and their absorption Of developments in modern management science (Ali and Ahmed, 2013: 3).

2.1.8. The behavior of bank employees

Customers are all individuals and organizations that obtain the bank's outputs from banking services, and therefore they understand the basis for any bank, so banks exist to satisfy the needs of their customers, so they should focus their efforts toward better dealing with them by selecting their employees Those with good appearance, good manners and good dealings with customers because earning them is a strength for them and an opportunity to grant more facilities and reap the profits that enable them to continue (Taha, 2007: 107).

2.2. Bank facilities

2.2.1. The concept of bank facilities

The banking facilities are all the services and funds provided by the bank with the aim of helping businessmen and establishments to meet the needs of an emergency shortage in financing their economic activity or by ensuring and pledging to others to pay the amount agreed upon by the customer in return for his commitment to implement a specific project in case of breaching conditions The contract, depending on the bank's confidence that the customer will be able to return the amount in addition to a specific fee that is the bank's benefit from bearing the risks of this assistance (Kazem, 2005: 26), and on this basis banking facilities are defined as all that the bank provides to its customer Money and services (Al-Mahawili, 2012: 45), or is "a process by which something of value or money is exchanged in the present in exchange for a payment in the future" (Engro, 2007: 65).

2.2.2. Types of bank facilities

Banking facilities are divided according to their nature or purpose into:

- Cash facilities: according to which the bank provides liquid cash to the customer in a certain amount and for a bank interest subject to determining them according to the instructions of the central bank, such as advances and loans, discounting commercial papers and overdraft.
- Undertaking facilities: These are those facilities according to which the customer can use the bank's name and financial reputation in the market, and it includes the letter of guarantee and documentary credit (Al-Mahawili and Al-Ani, 2014: 63).

2.2.3. The foundations for granting banking facilities

Banking facilities are granted on the basis of accepted rules and principles:

- Safety: This means that the bank is satisfied that the individuals and institutions that obtain the banking facilities will be able to pay them with the benefits arising from them within the specified dates agreed upon between the two parties.
- Profit-making: This means that the bank will obtain profits from the banking facilities it grants, enabling it to pay interest on deposits, face its various expenses, and achieve a return on invested capital in the form of net profits (Abdul Rahim, 2014: 77).
- Liquidity: It means the bank maintains a liquidity position, i.e. providing sufficient amount of liquid funds (cash and assets that can be converted into cash) to meet requests to withdraw deposits without any delay.
- The nature of deposits: This means that the nature of the deposits held by the bank determines its potential liability at any time towards its depositors in order to face sudden withdrawals, so it affects the bank's ability to grant banking facilities (Issa, 2010: 48).

2.2.4. The basic elements in the policy of lending and granting bank facilities

are as follows:

- Customer-specific elements: These include the personal identity of the borrower in terms of honesty and trust, his willingness to repay what he borrowed from the bank, his capital which is the primary guarantee in case he fails to pay (Ross, 2005: 214), his ability to borrow from the bank and his eligibility Legal if it is a minor or mentally retarded, and guarantees that the customer is willing to put at the disposal of the bank in the event of his inability to pay, as well as economic conditions that greatly affect the customer's project activity and thus his ability to pay what he borrowed (Theeb and others, 2012: 107)
- The elements of the bank: These include the degree of liquidity enjoyed by the bank and the type of strategy it adopts in taking credit decisions, the general goal that it seeks to achieve, its market share and its ability to provide good services and products that suit the customers' desire and the capabilities it possesses such as qualified human energies and what it possesses of technology Haditha (Al-Jazrawi and Al-Nuaimi, 2010: 7).
- Elements for the facilities granted: These elements are the amount of facilities required, which must be commensurate with the size of the customer's activity, the purpose of the facilities, which field will be used, and the duration of the facility, the longer the duration of the facility granted, the greater the risk to which the funds are exposed, and the type of facilities meaning Does the required facility comply with the bank's lending policy or contradict it, as well as the method and sources of payment by the customer for what he borrowed from the bank (Adel, 2012: 57).

3. Previous research and studies

(Nassar, 2005) studied the factors determining the decision to grant direct credit facilities). This study aimed to find out whether the research banks use any factors when making the decision to grant direct credit facilities, and to know the extent of congruence and difference between them in terms of the use of those The factors, which came out with a number of conclusions, the most important of which was that the researched banks, although they take a group of factors in consideration when making the decision to grant credit, but they differ fundamentally among them in terms of their use of these factors, and the difference came clearly in the group of factors related to the amount The customer is on payment, guarantees, bank, or the subject of credit, and its most prominent recommendations were the need for banks, whether commercial or Islamic, to focus on the factors related to the customer's ability to pay, to ensure that their money is recovered when due, especially those factors related to requesting financial statements for its activity and analysis To know his financial situation before starting the process of granting credit.

While (Lakshmi & Murugan, 2009) studied the impact of market on bank credit facilities to small and medium enterprises in India. Market study on credit facilities for Indian small and medium enterprises. This study aimed to conduct a market study of bank facilities granted to medium and small enterprises, as well On examining the main requirements for granting them to these institutions, the study found that most small and medium-sized enterprises face a great difficulty in benefiting from bank financing because of the requirements imposed by banks on those institutions, so it recommended the need to develop an appropriate credit policy through which institutions can To take advantage of the financing granted by banks to the special requirements of granting banking facilities are not many complex degree that avoid those institutions from dealing with banks.

(Najm, 2010) presented a study of factors affecting the demand for banking service - an applied study on a sample of beneficiaries in the province of Nineveh), this study aimed to know the factors affecting the banking service request for a sample of beneficiaries in the province of Nineveh, and it was from The most important conclusions reached by this study are the high level of interest rates, which reduces the volume of demand for banking services, as well as the enjoyment of high reliability by banks in Nineveh Governorate due to the guarantees that they impose on those dealing with them, as the security and economic conditions experienced by the country had a great impact in increasing Al-Aqba On this request for services, the study recommended that banks direct investments to new services that can make profits through them and not to focus on traditional activities and the use of modern technology automated like credit card and a certificate of deposit.

4. Methodology

4.1. Study problem

The research problem is to answer the following question:

Is there a great discrepancy in the determinants of the demand for banking facilities granted by banks operating in Dhi Qar Governorat?

4.2. Importance of study

The importance of the research stems from the great importance of studying the determinants of the demand for banking facilities, where banking facilities are seen as the other side of the banking system's tasks which are in two aspects which are attracting and mobilizing resources and granting credit, the function of granting credit is embodied through banking facilities as the most important job you do Banks to help them increase their profitability and then gain their customers by offering the best facilities.

4.3. Study objective

The main objective of the research revolves around measuring and estimating the determinants of demand for banking facilities granted to a sample of beneficiaries in the governorate of Dhi Qar and using the statistical standards and the statistical program (SPSS).

4.4. Study hypothesis

The research in order to achieve its goals is based on a main hypothesis that: The demand for banking facilities is determined in light of a number of factors that affect them.

4.5. Society and sample of study

The research community is represented by customers of banks operating in Dhi Qar Governorate, while the sample was represented by a group of beneficiaries of the banking facilities provided by those banks.

4.6. Research methodology

The research problem and its main hypothesis require the use of a program (SPSS) for statistical analysis, where a number of statistical tools and methods were chosen, such as percentages, frequencies, arithmetic mean, standard deviations and differences coefficients, in order to calculate the statistical indicators related to each paragraph of the questionnaire.

4.7. Methods of collecting data and information for research

The researcher relied on collecting data related to the research under study on Arab, foreign and academic books, theses and theses regarding the theoretical side, and on a questionnaire that included (25) questions posed to a group of beneficiaries of banking facilities provided by banks, the research sample with regard to the practical aspect.

5. The practical framework

5.1. Description of the study sample

In order to achieve the main goal of the research and then reach the desired results from it, the researcher relied on collecting data and information related to the applied aspect of the study on a questionnaire as a major tool in its design taking into account the extent of its ability to diagnose and measure research variables and identify the various aspects of the topic, where the questionnaire included the Two types of questions, the first relates to the personal information of the sample members, represented by profession, gender, age, academic achievement, the nature of banking dealings and the type of facilities required, while the second type of questions relates to the axis of the determinants of the request for banking facilities, which It included (25) questions.

The questionnaire was distributed to a number of beneficiaries of banking facilities provided by banks, the research sample working in Dhi Qar Governorate, and by (100) forms, (82) forms were retrieved, which are valid for analysis, and to ensure the stability and validity of the questionnaire as a tool for data collection was presented to A group of arbitrators with expertise and expertise in the field of financial and banking sciences, the contents of the questionnaire were also emptied and processed according to a five-degree likert scale (agree strongly, agree, neutral, do not agree, do not agree strongly), to classify the degrees of the answer, which ranges between (1-5) grades, and table (1) shows personal data for study sample individuals.

Table 1: Personal Data of the Study Sample Individuals

Distribution of sample individuals by gender		
gender	Frequency	Percentage (%)
Male	67	81.5
female	15	18.5
Total	82	100
Distribution of sample individuals by age		
20 -30	7	8.5
31-40	20	24.5
41-50	40	48.5
51-60	15	18.5
Total	82	100
Distribution of sample individuals by profession		
Employee	20	24.5
Not Employee	62	75.5
Total	82	100
Distribution of sample individuals according to academic achievement		
diploma	15	18.3
BA	35	42.7
MA	7	8.5
Ph.D	5	6.1

other	20	24.4
Total	82	100
Distribution of sample individuals according to the nature of dealing with the bank		
Governmental banks	71	86.5
Private banks	11	13.5
Total	82	100
Distribution of sample individuals according to the type of facility		
ancestor	32	39
Loans	20	24.5
Discount commercial statements	15	18.5
ongoing Debt	10	12
Letter of guarantee	5	6
Documentary credit	-	-
Total	82	100

Reference: Prepared by the researcher using the questionnaire.

It is noted from the above table regarding the distribution of the sample by gender that the males formed the highest percentage, which is (81.5%), and then the females with a rate of (18.5%). As for the distribution of the sample by age, the age group came from 41-50 with the highest percentage (%) 48.5 and the lowest percentage for the age group of 20-30, which is (8.5%), as the results of the questionnaire showed that the number of the sample who are not employees has formed the highest percentage, which is (75.5%). As for the employees, their lowest percentage was (24.5%), either in terms of Academic achievement: Those holding a bachelor's degree have formed the highest percentage (42.5%), while those holding a Ph.D. have the lowest percentage (6%), as shown by the results . Also, to find out that the majority of respondents prefer to deal with government banks at a rate of (86.5%), while private banks have a rate of (13.5%), but in terms of the type of facilities most requested, according to the opinion of the sample individuals, they are the predecessors, as they came at the highest rate which is (39%) , As for the documentary accreditation service, its percentage was (0) according to the opinion of the sample, and based on these ratios, we relied on the answers of the sample with regard to the questions posed to them and then collecting the data required to extract the accurate results that can achieve the goal of the research.

Table 2: Frequency Distribution, Mean, Standard Deviation, Severity of Response, and Variation Factor for Questionnaire Items

No.	item	agree strongly	agree	neutral	not agree	not agree strongly	Mean	standard deviation	Severity of response	variation factor
1	High interest rates and commissions charged by the bank reduce my dealings with it.	41	22	13	5	1	4.183	15.931	83.66	7.32
2	Low discount rate increases my deal with the bank.	52	19	6	5	0	4.439	21.102	88.78	6.10
3	I deal with the bank in light of the guarantees it requires in exchange for banking facilities.	66	12	2	1	1	4.720	28.112	94.39	2.44
4	I do not deal with the bank because it follows a strict credit policy.	39	23	11	9	0	4.122	15.060	82.44	10.98
5	The length of time to complete the transaction reduces my request for bank facilities.	76	6	0	0	0	4.927	33.419	98.54	0.00
6	I deal with the bank because of the variety of facilities it provides.	74	8	0	0	0	4.902	32.385	98.05	0.00
7	The bank uses modern technology to provide banking facilities.	10	12	3	34	23	2.415	12.178	48.29	69.51
8	The limited powers granted to branch managers lead to delay in completion of work.	65	12	4	1	0	4.720	27.574	94.39	1.22
9	Avoiding the administrative routine increases my deal with the bank.	44	23	9	6	0	4.280	17.587	85.61	7.32
10	I deal with the bank because of the good behavior of its employees.	51	8	1	12	10	3.073	10.781	71.94	26.82
11	The bank collects information about the applicant of banking facilities in terms of his morals, behavior and marital status	1	1	9	18	53	1.524	21.629	30.49	86.59
12	The bank seeks to know the extent of the customer's commitment to the terms and agreements with which he is associated with other institutions.	0	2	2	19	59	1.354	25.026	27.07	95.12
13	The bank analyzes the activity ratios of the customer's project to determine its ability to pay.	1	6	15	23	37	1.915	14.276	38.29	73.17
14	The bank inquires about the validity of the data and information provided by the customer requesting bank facilities.	42	29	8	3	0	4.341	18.257	86.83	3.66
15	The high customer capital is considered an encouraging factor for the bank to grant it bank facilities.	63	12	7	0	0	4.683	26.539	93.66	0.00
16	The bank studies and identifies the sources of income and expected profits for the customer's project.	36	37	7	2	0	4.305	18.528	86.10	2.44
17	The bank cares about the customer's financial position and compares it with competitors.	23	29	19	7	4	3.732	10.621	74.63	13.41

18	The bank studies and analyzes the guarantees presented by the customer and ensures their safety.	79	2	1	0	0	4.951	35.004	99.02	0.00
19	The bank is strict in requesting guarantees against banking facilities.	67	12	2	1	0	4.768	28.693	95.37	1.22
20	The bank determines the size of banking facilities in light of the prevailing economic and political situation in the country.	54	23	4	1	0	4.585	23.007	91.71	1.22
21	The bank studies and analyzes the conditions surrounding the sector in which the customer operates.	0	2	2	12	66	1.268	28.121	25.37	95.12
22	The bank provides banking facilities suitable for different segments of society.	1	2	2	37	40	1.622	20.206	32.44	93.90
23	The bank seeks to develop and improve the level of individuals working in the credit department through their participation in targeted training courses.	0	1	9	11	61	1.390	25.393	27.80	87.80
24	The bank makes sure that the required bank facilities are in line with its lending policy.	42	32	6	1	1	4.378	19.243	87.56	2.44
25	The bank makes sure that the banking facilities granted to the customer are used for the purpose specified for them.	23	32	17	6	4	3.780	11.718	75.61	12.20

From the results shown in Table (2), we find that the responses of the sample about the questions posed to them were as follows:

- 1) (83.66) % of the respondents agree that the increase in interest rates and commissions charged by the bank reduces their dealings with it, and with a standard deviation (15.931) and an arithmetic mean of (4,183), which is greater than the hypothetical arithmetic mean.
- 2) (88.78) % of the respondents agree that a decrease in the discount rate increases their dealings with the bank, and with a standard deviation (21.102), and an average of (4,439), which is greater than the hypothetical mean.
- 3) (94.39) % of the respondents agree that they deal with the bank in the light of the guarantees required by it in exchange for banking facilities, and with a standard deviation (28,112) , and an account average of (4,720), which is greater than the hypothetical mean.
- 4) (82.44) % of the respondents agree that they do not deal with the bank because it follows a strict credit policy, with a standard deviation (15.060), and an average of 4.122, which is greater than the hypothetical mean.
- 5) (98.54)% of the sample members agree that the length of the completion of the transaction reduces their demand for banking facilities, with a standard deviation (33.419), and an arithmetic mean of (4,927), which is greater than the hypothetical arithmetic mean.
- 6) (98.05) % of the respondents agree that they deal with the bank because of the diversity of the facilities it provides, with a standard deviation (32,385), and an average of 4,02, which is greater than the hypothetical mean.
- 7) % (48.29)of the respondents agree that the research sample banks use the modern technology in providing banking facilities, with a standard deviation (12.178), and an average mean of (2.415), which is less than the hypothetical mean.
- 8) (94.39) % of the respondents agree that the limited powers granted to branch managers lead to a delay in completing the work, and with a standard deviation (27,574), and an arithmetic mean of (4,720), which is greater than the hypothetical arithmetic mean.
- 9) % (85.61)of the respondents agree that avoiding the administrative routine increases their dealings with the bank, and with a standard deviation (17,587), and with an mean of (4,280), which is greater than the hypothetical mean.
- 10) % (71.94)of the respondents agree that they deal with the bank because of the good behavior of the workers in it, and a standard deviation (10.781), and an average of 3.073, which is greater than the hypothetical mean.
- 11) % (30.49)of the respondents agree that the bank collects information about the applicant of banking facilities in terms of his morals, behavior, and family status, with a standard deviation (21.629) , and an arithmetic mean of (1.524), which is less than the hypothetical arithmetic mean.
- 12) % (27.07)of the respondents agree that the bank seeks to know the extent of the customer's commitment to the conditions and agreements that he is associated with other institutions, with a standard deviation (25.026), and an arithmetic mean of (1.354), which is less than the hypothetical arithmetic mean.
- 13) % (38.29)of the respondents agree that the bank analyzes the activity percentages for the customer's project to determine its ability to pay, with a standard deviation (14,276), and an arithmetic mean of (1,915), which is less than the hypothetical mean.
- 14) % (86.83)of the respondents agree that the bank inquires about the validity of the data and information provided by the bank facilities applicant, with a standard deviation (18.257), and an average of 4.341, which is greater than the hypothetical mean.
- 15) (93.66) % of the respondents agree that the customer's high capital is considered an encouraging factor for the bank to grant him bank facilities, with a standard deviation (26,539), and an account mean of (4,683), which is greater than the hypothetical mean.
- 16) (86.10) % of the respondents agree that the bank studies and specifies the sources of income and expected profits for the customer's project, with a standard deviation (18,528), and an average of 4.305, which is greater than the hypothetical mean.
- 17) (74.63) % of the respondents agree that the bank cares about the customer's financial position and compares it with competitors, with a standard deviation (10.621) , and an average of 3.732, which is greater than the hypothetical mean.
- 18) (99.02) % of the respondents agree that the bank studies and analyzes the guarantees presented by the customer and makes sure of their integrity, with a standard deviation (35.004) and an arithmetic mean of (4,951) , which is greater than the hypothetical arithmetic mean.
- 19) (95.37) % of the respondents agree that the bank is strict in requesting guarantees against banking facilities, with a standard deviation (28,693) and an average of 4.768, which is greater than the hypothetical mean.
- 20) (91.71) % of the respondents agree that the bank determines the size of banking facilities in light of the prevailing economic and political situation in the country, with a standard deviation (23.007) and an arithmetic mean of (4.585) , which is greater than the hypothetical arithmetic mean.
- 21) (25.37) % of the respondents agree that the bank studies and analyzes the conditions surrounding the sector in which the customer operates, with a standard deviation (28.121) and an average of 1.268, which is less than the hypothetical mean.

- 22) (32.44) % of the respondents agree that the bank provides banking facilities that suit different segments of society, with a standard deviation (20.206) and an average of 1.622, which is less than the hypothetical mean.
- 23) (27.80)% of the respondents agree that the bank seeks to develop and improve the level of individuals working in the credit department through their participation in targeted training courses, and with a standard deviation (25,393), and an arithmetic mean of (1,390), which is less than the hypothetical arithmetic mean.
- 24) (87.56) % of the respondents agree that the bank makes sure that the required bank facilities are in line with its lending policy, with a standard deviation (19,243), and an average of 4,783 arithmetic, which is greater than the hypothetical arithmetic mean.
- 25) (75.61) % of the respondents agree that the bank makes sure that the banking facilities granted to the customer are used for the purpose specified for them, and with a standard deviation (11,718), and with an accounting average of (3.7).

5.3. Study hypothesis test

Table 3: Overall Indicators of the Questionnaire Results

agree strongly	agree	neutral	not agree	not agree strongly	Mean	standard deviation	Severity of response	variation factor
911	369	159	210	401	3.575	21.975	71,50	29.80

Reference: Prepared by the researcher based on the questionnaire form and the statistical program data (SPSS).

After analyzing the opinions of the sample about the questions posed to them that were at the agreement rate between them, and according to the data of Table (3), we find that the average response of the sample members has reached a percentage of (71,50%), and with a difference coefficient of (29.80), and a standard deviation (21.975)), And with an arithmetic mean (3.575) which is greater than the hypothetical medium and (3), this is evidence of acceptance of the hypothesis upon which the research is based, which is that the demand for banking facilities is determined in light of a number of factors affecting them.

6. Conclusions and recommendations

6.1. Conclusions

After analyzing the results shown by the data collection tool about the study, the researcher reached a number of conclusions, the most prominent of which are:

- 1) High interest and discount rates are considered one of the most important determinants affecting the request of banking facilities, which leads to customers' reluctance to do business and thus banks lose to their customers who are considered a strength for them.
- 2) The great strictness in requesting guarantees in exchange for banking facilities by the research banks, which reflects negatively on the applicants of those facilities to develop their commercial projects because it will enable them to obtain the necessary funds for those projects.
- 3) There are difficulties that customers face when requesting banking facilities as a result of the administrative routine and the lengthy procedures for completing the transaction as well as the unpopular dealing by bankers.
- 4) The limited competence of branch managers to grant banking facilities, which leads to missing an opportunity in front of them to attract many customers to the bank to increase its profitability due to the controls and instructions imposed on them by the public administration.
- 5) The absence of modern technologies and the lack of diversification of facilities provided by the research banks reduces the demand of customers for them and thus their profitability decreases.

6.2. Recommendations

After reviewing the most important conclusions reached by the researcher, the recommendations came out as follows:

- 1) The necessity of reviewing the interest and discount rates by the concerned authorities in order to encourage customers to request banking facilities in a manner commensurate with the prevailing economic situation and available investment opportunities.
- 2) Despite the importance of the guarantees, they should not be of too much and complexity to the degree that leads to customers' reluctance to deal with the bank.
- 3) Working to find a specific mechanism for granting banking facilities that would reduce the administrative routine and the lengthy procedures to complete the transaction.
- 4) Interest in training and educating the cadres working in the bank credit department so that they can carry out their work with a high level of professionalism, competence and good style with the bank's customers.
- 5) Delegating branch managers is part of the powers to grant banking facilities, which reduces pressure on public administration, as well as this is an opportunity for branches to attract many customers and achieve profits.
- 6) The research sample banks should strive to diversify in providing various facilities and modern electronic banking services to keep abreast of developments in the field of information and communication technology in order to achieve a competitive advantage.

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