



THE EXECUTIVE

Bahrain Management Society e-Newsletter

In this issue:

- Welcome Note from The Editor
- Management Comic
- Featured Events
- Featured Member
- Featured Paper

Visit previously issued Newsletters via this link:

<http://bms-bh.org/newsletters/>

The next Publication is on **July 2017** with your support..

Welcome Back!

Welcome to the new edition of The Executive Newsletter. In this edition we are featuring four new interesting topics. The first one is a funny management comic that has deep meaning in our culture. The second topic is a collection of BMS events for our members memory. The third topic is featuring a special member interview with typical Q&A's, and the fourth topic is a research paper written by a leading member of BMS. Please enjoy reading them and we hope to receive your comments and suggestions to develop the newsletter to the best we can with your continues engagements and support.



Yousif Amin
The Editor



Saliman Ebrahim
Photography

Management Comic



Leading **transformational change** requires an intimate understanding of the human side.

Source: <https://www.torbenrick.eu/blog/change-management/change-management-comic-strips/>

Contact us

Address:
P.O. Box 3268
Manama
Kingdom of Bahrain

Email:
admin@bms.org.bh

Phone:
(+973) 17827676

Fax:
(+973) 17827678

How to find us



Featured Events



Breakfast in Al Taitoon Gallery on 14th Jan. 2017



Management Talk with guest speaker Mr. Nader Al Soufi on 21st March 2017



Management Talk with guest speaker Mr. Nedal El-Ghattas on 21st Feb. 2017

Mr. Saleh Tarradah

Q-When did you join the Society?

A- I joined in 7th April 1996.

Q-What roles did you take since you joined?

A- Initially I was a member of the conferences & Programs committee and then when I joined the Board I took the role of Director of Conferences and Programs. Also in one of the terms of the Board I was the Vice president of the society.



Q-What were the major events and achievements you made during this period?

A- I have establishment of the International Leadership Conference (ILC) as one of the main annual activity for the society. Also organized the Business Leadership Talks and, organized the Monthly Management Forums.

Q-Tell us more about your last role and what were the challenges you faced?

A- My main role as director of conferences and programs was very interesting and exciting one. The challenge was mainly related to getting the required funding for holding the annual International Leadership Conference.

Q-When and why did you decided to leave?

A- I decided not to apply for the BMS board election in 2016 to give more focus on my current role as a member of the Capital Municipal Council.

Q-What are the lessons learned you would like to highlight for the new team?

A- Sufficient time need to be allocated for planning of the various activities and use of Information technology applications to gain productivity and effectiveness.



Mr. Saleh Taraddah with the Minister of Energy Dr. Abdulhussain Mirza and the BSE President Dr. Adel Hamad in May 2015 at the International Leadership Conference.

ASSESSMENT OF ELECTRONIC BANKING SERVICES OF ISLAMIC BANKS: BAHRAIN'S PERSPECTIVE

Dr. Lucia F. Banta

BMS Member



Abstract: The study aims to assess the electronic banking services in Islamic banks in Bahrain. The investigation was based on qualitative and quantitative design using the questionnaire and semi-structured interviews. Quota sampling was employed to 200 bank customers. The respondents agreed that there are existing electronic banking services in terms of application for loan and credit card, personal account, payment of bills and transfer of funds. Bank customers have expectations as to the electronic services in terms of the variables cited. The computed sig. (2-tailed) value of .108, .284, .966 and .002 indicated the acceptance of the null hypothesis. Therefore, there is no divergence between the status and the level of expectation on the electronic banking services.

Introduction: The establishment of Mit Ghamr Savings Bank in Egypt in 1963 highlighted the early history of Islamic banking based on *Syariah* principles [1]. Although Islamic banking operations are in force in most Islamic countries, competition in the banking industry is still high. So as to maintain its status quo, Islamic banks determine various services which are appropriate to the clients' preference. Hence, quality is a key business performance and strategic driver related to the increased number of consumer patronage and growing profits [2], [3]. Good service quality insights lead to increasing levels of contentment and value perceptions and eventually patronage with the organization and its assistance [4], [5]. Carrying out quality assistance becomes a vital factor in satisfying and keeping customers [6], [7]. Service managers could easily carry out the customer insight quality and could have high level of control on the overall outputs if they clearly identify the effective assistance. Likewise, for measuring the effect of assistance quality on customers' attitude, it will give insights of the components of customer contentment. Indeed, the study aims to assess the electronic banking services on the banking system of Islamic banks in the Kingdom of Bahrain. Specifically, the study attempts to answer the following queries: 1. What is the perception of bank customers on the status of the electronic banking services of Islamic banks in terms of: a) Application for loan and credit card; b) Information on personal account; c) Payment of Bills;

Core Discussions: *Status of Electronic Banking Services in Islamic Banks in the Kingdom of Bahrain.* The respondents agreed that Islamic banks are giving electronic services related to application for loans and credit cards with a composite mean of 4.02, personal account with a weighted mean of 3.94, payment of bills with a composite mean of 3.89, transfer of funds with a weighted mean of 3.96.

The Level of Expectation of Bank Customers on the Electronic Banking Services in Islamic banks. The respondents exhibited the level of expectation on the electronic banking services in Islamic banks in terms of application of loan and credit card as revealed by the weighted mean of 4.01 which implies that customers are deliberately counting on to put into practice such electronic services which leads to improved banking operations. The study of A. Joshua [8] substantiates findings of this investigation. The weighted mean of 3.91 in terms of information on personal account implies that customers are deliberately counting on to put into practice such electronic services which lead to improved banking operations. The study of Vesna Bucevska [9] affirms the findings of this investigation. The weighted mean of 4.0 in terms of payment of bills connotes that

Divergence Between the Status and the Level of Expectation of Bank Customers on the Electronic

Banking Services in Islamic Banks There is no considerable divergence between the status and level of expectation of bank customers on the electronic banking services in terms of application for loan and credit card as stipulated by a computed sig. (2-tailed) value of .108, information on personal account (0.284), payment of bills (0.966). Thus, indicate the acceptance of null hypothesis. Conversely, there is strategically divergence between the status and the level of expectation of bank customers on electronic banking in terms of transfer of funds with computed a sig. (2-tailed) value of .002 which is greater than .05 level of significance.

Problems Encountered by the Bank Customers are as follows: 1) Bank customers find difficulty in filling up the application form for loan and credit card due to many information required; 2) It takes 3-6 months before they receive their credit card statement; 3) It takes long time to release the loan; 4) Information on personal

Conclusions: The following conclusions were identified as to the findings of the investigation : 1. The status of electronic banking services in Islamic banks is agreed by the respondents; 2. The bank customers have expectations on the electronic banking services in Islamic banks; 3. There is considerable divergence between the status and the level of expectation of customers on the electronic banking services in Islamic banks in the Kingdom of Bahrain; 4. The respondents encountered problems in the execution of electronic banking services in Islamic banks.

References:

1. Abdullah, H., Aldaigan and Francis, A. Buttler (2002) 'Systra Service Quality: A New Measure of Bank Service Quality', *International Journal of Service Industry Management*, 13:4, pp. 362-381.
2. Akroush, M. (2008) 'Exploring the Mediation Effect of Service Quality Implementation on the Relationship between Service Quality and Performance in the Banking Industry in Jordan', *Global Business and Economics Review (GBER): An International Journal*, 10:1, pp. 98 - 122.
3. Ali, Mubarak and David Sam Kayakumar (2011), "Indian Banking", *IBA Bulletin*.
4. Alobaid, Asma Awad (2011), "Effects of Electronic Banking Services on the Performance of Selected Banks in the Kingdom of Bahrain". *Masteral Thesis*.
5. Asuncion, B., Martin, D.J. and Quintana, A. (2004) 'Model of customer loyalty in the retail banking market', *European Journal of Marketing*, 38:1, pp. 253-275.
6. Babakus, E. and Boller, G.W. (1992) 'An Empirical Assessment of the SERVQUAL Scale', *Journal of Business Research*, 24, pp. 253-268.
7. Bahrain Economic Vision 2030.
8. Joshua A J (2009), "Adoption of Technology-Enabled Banking Self-Services: Antecedents and Consequences", published Ph.D. thesis submitted to CUSAT, Faculty of Social Sciences, Cochin.
9. Bucevska, Vesna (2013). "An Empirical Analysis of Factors Affecting the Adoption of Electronic Banking in Macedonia: A Logistic Model", *Advances in Business-Related Scientific Research Journal (ABSJR)*, Volume 4, Number 1.
10. George, Ajimon and G S Gireeshkumar (2012). "Risks in Internet Banking: Sample Evidence from Idukki District Kerala", IUP.
11. Dube Thulani, Chitura Tofara and Runyowa Langton (2009), "Adoption and Use of Internet Banking in Zimbabwe: An Exploratory Study", *Journal of Internet Banking & Commerce*, Vol. 14, No. 1, pp. 1-13.

This research was published in International Advanced Research Journal in Science, Engineering and Technology Vol. 1, Issue 3, November 2014 and in AMA International University Journal Vol. 4, Issue 5 December 2014.