

The Impact of Financial Intelligence on Banking Performance - An Analytical Study of a Sample of Commercial Banks for the Period from 2013 to 2022

Haidar Hamoudi Ali Al Zubaidi¹, Ali Zaidan Fenjan², Ali Wisam Neamah Rageeb³,
Akram Sami Favez⁴ and Mohammed Hameed Yasir⁵

¹Faculty of Administration and Economics, Kufa University, Najaf, Iraq

²Faculty of Basic Education, Kufa University, Najaf, Iraq

³Faculty of Administration and Economics, Kufa University, Najaf, Iraq

⁴Business Administration Department, University of Basrah, Iraq

⁵Faculty of Administration and Economics, Kufa University, Najaf, Iraq

E-mail: ¹haidarh.alzubaydi@uokufa.edu.iq, ²aliz.alsharmani@uokufa.edu.iq, ³wisamn.rageeb@uokufa.edu.iq,

⁴pgs.akram.sami@uobasrah.edu.iq, ⁵mohammedh.alhchemey@uokufa.edu.iq

ORCID: ¹<https://orcid.org/0009-0003-8520-6066>, ²<https://orcid.org/0009-0006-2716-5173>,

³<https://orcid.org/0009-0005-1738-9977>, ⁴<https://orcid.org/0009-0008-3744-1877>,

⁵<https://orcid.org/0009-0001-4716-2483>

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Abstract - The current paper attempts to measure financial intelligence and banking performance, highlighting their significance. Financial intelligence was measured through a mathematical relationship focusing on value creation and monetary production, multiplied by the planned net income rate, along with control and organization. Banking performance was assessed using indicators of profitability, liquidity, and security. The study addresses the relation and impact between financial intelligence and banking performance indicators, relying on a main hypothesis that there is an effect between financial intelligence and banking performance. The study population consisted of commercial banks listed on the Iraq Stock Exchange, with a sample of six banks selected for the research (Iraqi National, Iraqi Trade, Ashur International, Iraqi Investment, Al-Mansour Investment, Baghdad) from a total of 24 commercial banks. The study utilized a time series spanning from 2013 to 2022. A set of financial results was reached based on financial indicators for measuring the metrics, while the cross-sectional method of least squares was employed to test the statistical hypotheses. The findings of the financial analysis revealed that the banks possess high capital adequacy ratios, low profitability, and a high level of liquidity. The study concluded that the commercial banks in the sample suffer from low profitability, which is attributed to weak investment decisions and a failure to utilize available financial resources effectively.

Keywords: Financial Intelligence, Banking Performance, Commercial Banks

I. INTRODUCTION

The three main pillars of financial intelligence are as follows: the first is the primary ability to differentiate between assets and liabilities, which forms an integrated foundation supported by a deep understanding of personal economic dynamics (Irfan, 2021); the second is using financial intelligence to increase wealth, which requires a thorough

understanding of financial management and long-term planning (Naura, 2022); and the third is an innovative approach to cash flow management, which is a crucial differentiator because successful people reduce their reliance on traditional employment models and reinvest for sustainable growth (Akbar et al., 2024).

Having financial intelligence is essential for managers to understand the surrounding environmental factors and make the organization smarter, which makes them more capable of managing the organization under their leadership in a world that is turbulent and competitive (Fatehi & Hajiha, 2021). Financial intelligence is looking at economic data from a different perspective than the traditional one, and it goes beyond the issue of numbers in financial reports as just financial figures. Instead, it includes a variety of dimensions and financial skills that enable the financial decision-maker to make the best financing and investment decisions (Mohammed & Khalaf, 2021). Additionally, Gofwan, (2019) noted that financial intelligence impacts the functions of operational managers and the financial performance of the company, illustrating how managers can utilize financial intelligence to help their organizations succeed.

The goal of the current study is to fill the knowledge gap about the use of financial intelligence. The lack of adequate previous study on the relationship between financial intelligence and banking performance is referred to as this research gap (Raisi & Forutan, 2017). Furthermore, this study aims to contribute considerably to the literature and sustainable financial practices by offering a greater knowledge of the two study variables (financial intelligence and banking performance). Furthermore, the study can demonstrate how financial intelligence affects banking

performance, as well as identify the extent to which the financial intelligence variable, through its measurement indicators, influences banking performance (Uvarajan, 2024).

II. THEORETICAL FRAMEWORK

The Concept of Financial Intelligence

As a combination of social, psychological, and skill-based components, financial intelligence is regarded as one of the most significant and intricate scientific fields (Park et al., 2018). It involves the intersection of closely related and diverse knowledge areas, and a person who possesses a variety of diverse messages (cultural, economic, and social) is considered financially intelligent. This marks the beginning of research in the field of financial intelligence, which has changed the balance of success in the 21st century as laws and principles have changed, ushering in a new economy and an era of knowledge-based economy (Mahdi et al., 2023).

Consequently, we observe that financial intelligence has become highly valuable to banks, as most of them are seeking easy and innovative ways to acquire more capital (Yase & Jabbar, 2022).

Financial intelligence is a subset of business intelligence. The phrase "business intelligence" was first introduced in 1865 in Richard Millar DeVeins' book, "Encyclopedia of Business and Trade Tales" (2020), where it was used to describe how bankers generate profits by making informed decisions based on data gathered from their external environment (Laghareh et al., 2018). Since its inception, the term "business intelligence" has been defined in various ways by numerous authors and organizations (Godfrey, 2015). A prominent definition states that "Business intelligence is a broad term that serves as an umbrella for a collection of applications, infrastructures, tools, and best practices that facilitate data access and analysis, enabling the extraction of information to enhance decision-making processes and overall performance" (Huang et al., 2022).

Support for the bank's decisions is facilitated by the continuous monitoring of events and developments within the operational environment. This approach allows the bank to capitalize on opportunities and effectively address challenges, thus minimizing the high costs associated with error correction and ensuring the delivery of high-quality services at reduced expenses. To realize these benefits, the bank must utilize both business intelligence and financial intelligence, which are essential for achieving a position of leadership.

Concept of Financial Performance

The subject of financial performance has attracted growing interest from academics, researchers, managers, and investors, as it serves as an indicator of a bank's success in meeting its financial objectives, aligned with its financial

goals and benchmarks (Romero et al., 2023). Banks are integral to the financial system and play a vital role in fostering economic development. Poor performance within the banking sector can have detrimental effects on the broader economy, leading to significant and widespread repercussions. (Muriithi, 2016). The developments witnessed in the financial sector across all advanced economies have heightened the importance of analyzing and evaluating bank performance, as it is an indicator of financial stability and the health and status of any bank (Karthikeyan et al., 2024). It also serves as an appropriate measure of the bank's credibility and its ability to sustain and survive. Performance, as defined by Turegun, (2022), refers to the effort put forth by each individual within the bank, which simultaneously reflects the individual's level of achievement in terms of both the quantity and quality of work completed within a specified timeframe (Sonntag & Fresa, 2002). It embodies diligent work directed towards attaining a specific objective, which necessitates a combination of human, financial, and natural resources (Khan et al., 2017). Performance encompasses the successful completion, execution, and full engagement in a designated task, evaluated against established criteria for accuracy, completeness, cost-effectiveness, and timeliness. Furthermore, Halbos, (2022) describes performance as the capacity to utilize operational and investment strategies to ensure the financial stability of the bank. It serves as a metric for how effectively banks meet their financial goals, aligned with their objectives and financial benchmarks, as they play a crucial role in the financial system (Muriithi, 2016). In this context, financial performance refers to the extent of a bank's effectiveness over a defined timeframe, quantified by the total profits or losses experienced during that period (Mururwa, 2015). It is a subjective evaluation that analyzes how banks manage their essential assets, acting as an indicator of the institution's financial well-being (Oranga & Ondabu, 2018). Additionally, it provides a basis for comparing the performance of various banks within the financial sector. Financial performance serves as a personal gauge of a bank's capacity to leverage its assets from core operations to generate income (Itumo, 2013).

III. FINANCIAL PERFORMANCE MEASUREMENT INDICATORS

Profitability

Bank management prioritizes profitability as a vital factor for ensuring the institution's sustainability (Shamir & Al-Baaj, 2022). The quality of assets plays a significant role in determining profits, serving as a foundation for their assessment. Furthermore, profits are crucial for the bank's capacity to withstand potential losses and improve capital adequacy. A bank's robust profit performance signifies its ability to maintain effective operations both now and in the future, absorb unforeseen challenges, and enhance its resilience against financial downturns, as highlighted by (Islam et al. 2014). This capability is essential for building a solid capital base, financing growth initiatives, and delivering

adequate returns to shareholders, despite the presence of various profitability metrics (Tarawneh, 2006).

Liquidity

Liquidity represents one of the concerns and challenges faced by banks at any given time, as a bank may experience failure due to its inability to maintain an adequate level of liquidity despite possessing high-quality assets (Marozva, 2015). Liquidity serves as a protective and stabilizing factor for banks, ensuring the banking system can meet credit demands at all times. It enables the bank to fulfill both anticipated and unanticipated obligations, which pertains to its ability to settle commitments when they come due (Jother et al., 2021). Liquidity is quantified using ratios that evaluate the bank's capability to meet its immediate obligations through a collection of current assets. Short-term lenders, such as banks, have a particular focus on liquidity ratios since they depend on short-term liabilities. (Sarker, 2005) clarified that liquidity risk refers to the difference between all liabilities that can be withdrawn within a very short timeframe and all assets that can be converted into cash quickly and at a low cost to cover expected and unexpected withdrawals (Hassan et al., 2019).

Safety

Capital Adequacy (PAT): Capital adequacy is used to assess a bank's financial stability, particularly its capacity to absorb possible future losses. It acts as a protective barrier to keep any potential losses the bank may have from leaking out. This ratio reflects the maintenance of an acceptable degree of adequacy and allows capital level for the bank to protect against possible losses resulting from conceivable risks. The directives from the bank's management serve as the basis for the capital adequacy rule. This principle adjusts capital to a level appropriate with risk assessment, which includes establishing the likelihood of surpassing losses, and applies to all risks to make them comparable to the bank's capital foundation. To be acceptable, risks must be minimal (Abed Hameed, 2022). Capital is the main source of protection for banks, allowing them to absorb losses without jeopardizing depositors' rights. This is accomplished by keeping deposits safe and separate from accounts that are used to cover any potential banking failures, if any, due to capital adequacy (Greuning & Brajovic, 2009).

IV. METHODOLOGY

Research Problem

Financial intelligence requires managers to possess advanced financial capabilities that enable them to deeply understand the surrounding environmental factors, with the aim of transforming their institutions into intelligent organizations. This enhances their ability to manage these organizations effectively in a turbulent and competitive environment (Fatehi & Hajiha, 2021). Financial intelligence involves analyzing economic data from a vantage point that exceeds

the conventional interpretation of financial statistics. According to Mohammed & Khalaf, (2021), the figures shown in financial reports are not just numerical outcomes; they also reflect a range of financial skills and dimensions that enable decision-makers to make informed choices about investments and financing.

In addition, financial performance is a reflection of an institution's financial results and is regarded as a gauge of its capacity to produce financial returns. It is also connected to and influenced by the institution's reputation. It indicates the institution's ability to achieve its goals and its potential for sustainability. Financial performance also demonstrates the organization's capacity to fulfill its financial commitments. Financial performance reflects "the extent to which the institution can efficiently use its short-term and long-term financial resources to create wealth."

In light of the rapid economic changes and financial challenges facing the banking sector, the ability to make informed financial decisions and manage financial resources efficiently plays a pivotal role in enhancing banking performance. Over the past decade (2013-2022), commercial banks have experienced numerous financial and economic fluctuations, raising questions about the extent to which financial intelligence impacts their performance improvement. Considering the importance of financial intelligence, which encompasses the ability to analyze financial data, make sound financial decisions, and manage risks effectively, the necessity of studying the impact of these skills and capabilities on the enhancement of banking performance in these institutions becomes evident. Despite the growing interest in financial intelligence as a tool to boost institutional performance, there remains a knowledge gap regarding the extent and depth of this impact on banking performance in commercial banks within changing economic environments. Therefore, this study raises the central question:

To what extent does financial intelligence contribute to improving the banking performance of commercial banks during the period from 2013 to 2022?

Importance of Research

This study holds significant importance due to the increasing financial and economic challenges faced by the banking sector amid the rapid changes in the global economic environment, with financial intelligence being one of the critical factors that enable financial managers to make informed strategic decisions.

The duration of the study spans a critical period (2013-2022), during which commercial banks experienced numerous financial fluctuations resulting from economic crises, technological changes, and shifting monetary policies. Understanding the impact of financial intelligence on banking performance during this period (2013-2022) provides a comprehensive insight into the ability of banking

institutions to adapt to financial challenges and enhance their performance.

Research Objectives

- To assess how significantly financial intelligence influences the enhancement of banking performance .
- To analyze the timeframe from 2013 to 2022, taking into account financial fluctuations, monetary policies, and technological advancements .
- To address the existing knowledge gap concerning the connection between financial intelligence and banking performance by evaluating the effect of financial skills on essential financial performance indicators.

Research Hypothesis

A notable causal link exists between financial intelligence and financial performance, as evidenced by its indicators, which include profitability, liquidity, and safety.

Research Sample

The study population consists of all Iraqi banks, and data from six of them were relied upon as a sample, which included the following banks: Al-Ahli Iraqi, Al-Tijari Iraqi, Ashur International, Iraqi Investment, Al-Mansour Investment, and Baghdad.

V. INDICATORS FOR MEASURING RESEARCH VARIABLES

1- Financial Intelligence Measurement Index

Financial intelligence was measured using the following mathematical relationship based on (Al-Aidani, 2024: 11): Financial Intelligence = (Value Creation + Money Generation) (Planned Net Income Rate and Control and Regulation)

2- Financial Performance Measurement Indicators

Financial performance was measured using the following mathematical relationships based on (Al-Rubaie, 2023):

- Profitability = Net profit after tax / Total assets

- Liquidity = Total cash assets / Total deposits

- Capital adequacy = Total capital / Total assets

VI. FINANCIAL ANALYSIS OF RESEARCH INDICATORS

1- Financial Analysis of the Financial Intelligence Index

The Financial Intelligence Index is important in measuring the extent to which the bank's management possesses the necessary skills to optimally handle funds, make financial decisions that achieve profits, and avoid financial problems. The results in Table (I) indicate that the overall average is (1.3805), with the Iraqi Commercial Bank achieving the highest rate in financial intelligence at (1.971), while Al-Mansour Investment Bank recorded the lowest financial intelligence rate at (0.9015).

TABLE I SHOWS THE FINANCIAL INTELLIGENCE OF THE BANKS IN THE STUDY SAMPLE

Bank / Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Average
Al-Ahli Iraqi	0.598	-0.578	-0.801	24.021	-0.102	-5.524	-1.725	-1.012	-3.225	1.178	1.283
Al-Tijari Iraqi	17.975	0.214	0.475	0.022	1.152	-0.671	-0.058	2.897	-2.012	-0.287	1.971
Ashur International	3.108	-0.462	2.801	-0.441	-0.271	0.252	-0.031	15.012	-1.611	-0.810	1.7547
Iraqi Investment	1.597	-0.199	3.971	-0.349	-0.241	2.002	-2.101	-1.051	6.010	2.127	1.1766
Al-Mansour Investment	4.987	-1.225	-0.029	-0.557	-0.292	2.105	-0.798	-0.102	5.125	-0.199	0.9015
Baghdad	7.612	-0.618	-0.279	-1.401	3.691	-0.418	1.426	-0.317	-1.989	4.257	1.1964
Average	5.98	-0.478	1.023	3.549	0.656	-0.375	-0.548	2.571	0.383	1.044	1.3805

Source: Prepared by the researchers based on financial data

2- Financial Analysis of Financial Performance Indicators

A- Financial Analysis of Profitability Indicators

The profitability indicator is a fundamental goal for all banks and is essential for their survival and sustainability, as well

as a target that investors aspire to. It is also an important indicator for creditors when dealing with the bank and serves as a crucial tool for measuring management efficiency in utilizing available resources. This ratio provides insights into the bank's ability to generate income from its available resources. The profitability indicator is considered a measure of the bank's investment and operational management policies.

TABLE II ILLUSTRATES THE PROFITABILITY INDICATORS FOR THE SAMPLE BANKS IN THE RESEARCH

Profitability Index											
Bank / Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Average
Al-Ahli Iraqi	0.0258	0.0109	0.004	0.0411	0.0051	-0.0146	0.0141	0.0219	0.0139	0.0109	0.0133
Al-Tijari Iraqi	0.0271	0.0178	0.0161	0.0179	0.0218	0.0237	0.0149	0.0566	0.0251	0.0217	0.0243
Ashur International	0.0439	0.0212	0.0242	0.039	0.0357	0.0101	0.0141	0.0308	0.0119	0.0171	0.0248

Iraqi Investment	0.0487	0.0659	0.0339	0.0175	0.0064	0.0010	0.0001	0.0079	0.0011	0.0101	0.0193
Al-Mansour Investment	0.0382	0.0231	0.0228	0.0147	0.0131	0.0149	0.0089	0.0051	0.0127	0.0177	0.0171
Baghdad	0.0217	0.0182	0.009	0.0171	0.0061	0.0041	0.0061	0.0141	0.0192	0.0312	0.0147
Average	0.0343	0.0262	0.0184	0.025	0.0147	0.0065	0.0097	0.0228	0.014	0.018117	0.0189
Liquidity Index											
Al-Ahli Iraqi	1.147	1.257	1.172	2.467	2.158	1.987	1.417	1.046	0.237	0.736	1.3624
Al-Tijari Iraqi	3.148	3.427	1.608	1.001	0.932	1.158	1.631	1.469	1.119	0.914	1.6407
Ashur International	2.778	2.771	2.811	3.512	4.093	2.409	2.708	3.701	3.178	2.342	3.0303
Iraqi Investment	0.818	1.378	1.521	1.681	1.572	1.488	1.139	1.329	1.308	0.950	1.3184
Al-Mansour Investment	1.421	1.348	0.432	1.163	0.861	1.002	1.067	1.176	1.219	1.141	1.083
Baghdad	1.019	0.971	1.153	1.042	1.024	1.012	0.859	0.964	0.771	0.658	0.9473
Average	1.722	1.859	1.45	1.811	1.773	1.509	1.47	1.614	1.305	1.124	1.5637
Safety Index (Capital Adequacy)											
Al-Ahli Iraqi	0.279	0.414	0.468	0.431	0.411	0.478	0.401	0.279	0.139	0.111	0.341
Al-Tijari Iraqi	0.449	0.562	0.601	0.587	0.541	0.558	0.559	0.411	0.490	0.472	0.523
Ashur International	0.591	0.575	0.549	0.671	0.661	0.529	0.587	0.528	0.411	0.319	0.542
Iraqi Investment	0.476	0.449	0.447	0.427	0.441	0.421	0.473	0.446	0.381	0.329	0.429
Al-Mansour Investment	0.321	0.281	0.228	0.230	0.188	0.157	0.169	0.192	0.361	0.338	0.247
Baghdad	0.141	0.139	0.158	0.212	0.231	0.216	0.217	0.179	0.155	0.141	0.179
Average	0.376	0.403	0.409	0.426	0.412	0.393	0.401	0.339	0.323	0.285	0.377

Source: Prepared by the researchers based on financial data
The results in Table (II) indicate that the overall rate is (0.0189), with the Iraqi Commercial Bank achieving the highest profitability rate of (0.0243). Meanwhile, the National Bank recorded the lowest profitability rate of (0.0133).

B - Financial Analysis of the Liquidity Indicator
Liquidity refers to the banking sector's ability to meet credit demands at any time, as well as to fulfill both expected and unexpected obligations. It is the bank's capacity to settle liabilities when they become due.

TABLE III LIQUIDITY INDICATOR FOR THE SAMPLE BANKS

ت	Bank / Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	المعدل
1	Al-Ahli Iraqi	1.147	1.257	1.172	2.467	2.158	1.987	1.417	1.046	0.237	0.736	1.3624
2	Al-Tijari Iraqi	3.148	3.427	1.608	1.001	0.932	1.158	1.631	1.469	1.119	0.914	1.6407
3	Ashur International	2.778	2.771	2.811	3.512	4.093	2.409	2.708	3.701	3.178	2.342	3.0303
4	Iraqi Investment	0.818	1.378	1.521	1.681	1.572	1.488	1.139	1.329	1.308	0.950	1.3184
5	Al-Mansour Investment	1.421	1.348	0.432	1.163	0.861	1.002	1.067	1.176	1.219	1.141	1.083
6	Baghdad	1.019	0.971	1.153	1.042	1.024	1.012	0.859	0.964	0.771	0.658	0.9473
	Average	1.722	1.859	1.45	1.811	1.773	1.509	1.47	1.614	1.305	1.124	1.5637

The financial analysis of Table (III) reveals that the overall rate is (1.5637). Ashur International Bank achieved the highest liquidity rate of (3.0303), while Baghdad Bank recorded the lowest liquidity rate of (0.9473).
C- Financial Analysis of the Safety Indicator

Capital adequacy is a tool for measuring the degree of banking safety and indicates the financial solvency of the

bank, meaning its ability to withstand any potential losses that may occur in the future. It serves as a protective buffer that prevents the leakage of any losses the bank may face. The financial analysis of Table (IV) shows that the overall rate is (0.377). Ashur International Bank achieved the highest capital adequacy rate of (0.542), while Baghdad Bank recorded the lowest liquidity rate of (0.179).

TABLE IV INDICATOR (SAFETY) CAPITAL ADEQUACY FOR THE SAMPLED BANKS

ت	Bank / Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	المعدل
1	Al-Ahli Iraqi	0.279	0.414	0.468	0.431	0.411	0.478	0.401	0.279	0.139	0.111	0.341
2	Al-Tijari Iraqi	0.449	0.562	0.601	0.587	0.541	0.558	0.559	0.411	0.490	0.472	0.523
3	Ashur International	0.591	0.575	0.549	0.671	0.661	0.529	0.587	0.528	0.411	0.319	0.542
4	Iraqi Investment	0.476	0.449	0.447	0.427	0.441	0.421	0.473	0.446	0.381	0.329	0.429
5	Al-Mansour Investment	0.321	0.281	0.228	0.230	0.188	0.157	0.169	0.192	0.361	0.338	0.247
6	Baghdad	0.141	0.139	0.158	0.212	0.231	0.216	0.217	0.179	0.155	0.141	0.179
	Average	0.376	0.403	0.409	0.426	0.412	0.393	0.401	0.339	0.323	0.285	0.377

Source: Prepared by the researchers based on financial data

Fourth - The Statistical Aspect of the Research

The current study assumes the existence of a statistically significant impact of financial intelligence on the profitability index (Pr), as evidenced by the results from the (Eviews-12) software. The multiple regression analysis results presented in Table (V) illustrate the impact relationship between the

financial intelligence variable and the profitability index (Pr) based on the multiple regression outcomes. The relationship between the financial intelligence variable and the profitability index can be represented using the cross-sectional least squares equation as follows:

$$fi = C + \beta_1 pr + \beta_2 li + \beta_3 ca$$

TABLE V TESTING THE IMPACT RELATIONSHIP OF THE FINANCIAL INTELLIGENCE VARIABLE AND THE PROFITABILITY INDEX FOR THE SAMPLE BANK

Independent Indicators	The dependent indicator	Coefficient	Std. Error	t- Statistic	Prob.	The decision
Fi	Pr	5.67	0.28	20.09	0.02	Accept the Hypothesis
Fi	Li	6.01	0.54	12.12	0.04	Accept the Hypothesis
Fi	Ca	9.11	0.83	9.29	0.07	Accept the Hypothesis.
(c)	0.22	Method: Pooled Least Squares $TATO = 0.226 + (5.6) ROA + (0.02) HCE + (0.29) EG + (4.99) SC$				
coefficient of determination (R^2)	0.90					
F-statistic	4.58					
Significant (F)	0.000					

The table is prepared by the researchers based on the outputs of the (Eviews-12) program.

It is clear from Table (V) that the findings derived from the multiple regression equation reveal that the constant ($C=0.22$) represents a financial performance indicator rate of (0.22) when financial intelligence is at zero. Additionally, the data presented in Table shows that the coefficient of determination (R^2) is (0.90), indicating that financial intelligence accounts for (0.90) of the variance in the profitability index, while the remaining (0.10) of the variance is due to factors not included in the regression model. Furthermore, the significance level for the (F) value, which is (0.00), is below the threshold of (0.05) established by the researchers, thereby supporting the acceptance of the hypotheses.

VII. CONCLUSIONS

This study arrived at a series of conclusions derived from the findings obtained. The assessment of financial intelligence among the Iraqi banks included in the sample indicated an improvement in their financial intelligence levels, with the majority of banks exhibiting a positive growth rate throughout the analyzed period. Evaluating banking performance is crucial as it enhances a bank's operations and reveals its strengths and weaknesses. The findings also showed that the banks within the sample maintain a substantial amount of uninvested liquidity, implying that bank management tends to follow a conservative approach and steers clear of high-risk investments. Moreover, the banks in the sample uphold elevated capital adequacy ratios, which adversely affected banking growth across all metrics. The results indicated that the commercial banks in the sample experienced low profitability, which can be attributed to poor investment choices and an inability to effectively utilize available financial resources. Additionally, the statistical analysis revealed a significant influence of financial intelligence indicators on the financial performance of the Iraqi banks in the sample, suggesting that an enhancement in

these indicators positively correlates with the financial performance of Iraqi banks.

Recommendations

Maximizing the wealth of owners should be the primary objective for the management of the banks included in the study, as it is vital for the owners and ensures their continued investment in these banks, which will positively reflect on the overall economic activity of the country. The low level of positive financial intelligence in some Iraqi banks listed on the Iraq Stock Exchange necessitates that they adopt all means and methods to enhance their positive financial intelligence. It is essential to attract competent management that works on reducing operational costs through the use of modern banking practices, while also increasing operational revenues by employing contemporary investment methods. Additionally, there is a need to seek investment opportunities to utilize the high liquidity possessed by the commercial banks in the study sample, and to reduce capital adequacy ratios due to their negative impact on bank performance and profitability. Furthermore, planning for high-profit investment opportunities and making investment decisions that enhance the profitability of the banks in the study sample is crucial, along with increasing management's focus on using financial indicators to assess banking performance and giving it significant importance as it serves as an indicator of the bank's financial safety and its impact on the bank's operations, continuity, and sustainability.

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