

ANALYSIS OF THE ACCOUNTING FINANCIAL PERFORMANCE OF PRIVATE LISTED BANKS IN THE EMERGING MARKET FOR THE PERIOD 2010–2022

Hala Ayyed Hadi *, Hakeem Hammood Flayyih **

* Department of Accounting, Al-Suwaira Technical Institute, Middle Technical University, Baghdad, Iraq

** Corresponding author, Department of Accounting, College of Administration and Economics, University of Baghdad, Baghdad, Iraq
Contact details: Department of Accounting, College of Administration and Economics, University of Baghdad, P. O. Box 4097, Alwzirya, Baghdad, Iraq



Abstract

How to cite this paper: Hadi, H. A., & Flayyih, H. H. (2024). Analysis of the accounting financial performance of private listed banks in the emerging market for the period 2010–2022. *Corporate & Business Strategy Review*, 5(1), 8–15.
<https://doi.org/10.22495/cbsrv5ilart1>

Copyright © 2024 The Authors

This work is licensed under a Creative Commons Attribution 4.0 International License (CC BY 4.0).
<https://creativecommons.org/licenses/by/4.0/>

ISSN Online: 2708-4965
ISSN Print: 2708-9924

Received: 17.01.2023
Accepted: 01.01.2024

JEL Classification: L1, G1, L25, M41, E59
DOI: 10.22495/cbsrv5ilart1

This study aims to the little impact of accounting financial performance (AFP) analysis on the money market in the Iraqi economy. Potentially limiting future market activity could be international risks and obstacles, which in turn could cause issues and crises (Shah & Jan, 2014; Bakhtiyarovich, 2020). The study concept was inspired by the recognition that there must be communication between the importance of the AFP analysis of the Iraqi securities market and the country's financial and economic institutions. The sample of the study included ten Iraqi banks listed in the Iraq Stock Exchange (ISE) for the period 2010–2020. The three mathematical models included in the statistical analysis served as the basis for projecting future return and risk values in the Iraqi money market. The potential for being put in peril because of unintended consequences stemming from worldwide disasters. This research yielded several findings, the most significant of which was that the Iraqi securities market is not particularly consequential to the economy. The vulnerability of the economy to international shocks makes it difficult to implement monetary and financial policy.

Keywords: Financial Performance, Financial Markets, Financial Reporting, Liquidity

Authors' individual contribution: Conceptualization — H.A.H. and H.H.F.; Methodology — H.A.H. and H.H.F.; Formal Analysis — H.H.F.; Investigation — H.A.H. and H.H.F.; Data Curation — H.H.F.; Writing — Original Draft — H.H.F.; Writing — Review & Editing — H.A.H. and H.H.F.; Visualization — H.A.H. and H.H.F.; Supervision — H.A.H.; Project Administration — H.A.H.

Declaration of conflicting interests: The Authors declare that there is no conflict of interest.

1. INTRODUCTION

One of the most important and well-known financial institutions in free economies is the stock market. This is because the stock market acts as a mediator for the mobilization of savings and the direction of those savings toward various investments that produce goods and services and contribute to

the formation and growth of accounting financial performance (AFP) (Hadi, Ali, et al., 2023). Additionally, it serves as a symbol of the connection that can be made between individuals, banks, and other types of savings institutions that have accumulated savings. In addition to this, it serves as a vital link in the chain that leads to the establishment of a functioning financial and

banking system in any economy (Hasan et al., 2023). In order to preserve the efficiency of the stock market and the role it plays in Iraq's economy; we must take the following steps (Griffin, 2003). It is necessary to study the reality of this market to evaluate the economic role it plays, as well as the level of international challenges that stand in the way of the development of its activity, as well as the issues and roadblocks that contribute to a low level of economic performance in it (Hadi, Abdulhameed, et al., 2023). A commercial organization that assists its customers in saving money, and then assists those customers in obtaining loans and other forms of credit is known as a financial institution (Manawar et al., 2023; Abass et al., 2023). These services, which include resource mobilization and allocation, financial intermediation, and the facilitation of transactions involving foreign exchange, are utilized by businesses in order to aid in the process of international commerce (Daryanto et al., 2018). A financial institution can be categorised as either a bank or a non-banking financial institution, with the former being the more common of the two. On the other hand, the examination that was carried out as part of this research concentrated primarily on the banking sector. According to Al-Hroot et al. (2020), the value of a company may increase if effective governance procedures are put into place. The research conducted by Pramitasari and Subaida (2022) demonstrates that governance has a variety of effects on the value of a company's assets, and these effects vary depending on how governance is evaluated. According to the available evidence, poorly governed businesses have a pattern of engaging in wasteful spending, which brings about a decline in the operational performance of the company. Although significant cash holdings will likely have a negative impact on operating performance in the future, this will be counterbalanced by the company's strong governance. According to the research that has been done, poorly managed businesses are more likely to waste money on acquisitions, which significantly reduces the value of the overall organization.

Companies with poor corporate governance are more likely to invest in low-profitability ventures, in contrast to the findings of Susilo et al. (2019), which found that well-governed corporations were more likely to set aside their surplus capital reserves. To put it another way, enterprises that are poorly managed waste the company's value by using up its financial resources inefficiently. Strong shareholder rights have been shown to result in increased shareholder value, improved earnings, and decreased capital expenditures, according to a comprehensive study of American companies that was conducted by Alabdullah (2023). Flayyih and Khiari (2023) developed a corporate governance index by incorporating 51 different principles of corporate governance. These corporate governance principles were recommended by the services division of the institutional investor advisory firm Institutional Shareholder Services. There is evidence that better corporate governance is associated with increased financial value for businesses. As a direct consequence of this, a study was carried out to evaluate the economic performance of the Iraqi securities market during the course of the period 2010-2020. An examination of the internal and

foreign challenges and risk factors that may be brought on by the scenario has been carried out in order to get a better idea of how well its economy is doing. This has been carried out in order to obtain a better concept of how well its economy is doing. In addition to this, the financial accessibility of the country to the rest of the world is something that has been taken into consideration.

This study is structured as follows. Section 1 is an introduction, which describes the research problems and aims. Section 2 is a literature review, which provides a summary of previous studies and identifies knowledge gaps. Section 3 is a research methodology, which describes the process by which the results will be analyzed in Section 4. Section 5 is a conclusion, which summarizes the study's findings and makes recommendations for future research.

2. LITERATURE REVIEW

There is evidence from a number of different types of data that cash on hand has a negative correlation with the value of a company. According to Wanjawa and Muchemi's (2014) findings, cash on hand has a negative correlation to the value of the company. According to Mwendu et al. (2019), cash-rich organisations are more likely to engage in value-decreasing purchases and mergers than cash-constrained ones. In addition, Pratiwi and Pamungkas (2020) assert that managers can make more money off of liquid assets because those assets can be converted into private benefits at a lower price than other assets can be converted into private benefits. This theory is supported by Putra et al. (2018), who contend that managers are motivated to hoard cash in order to increase their control over the company and obtain discretion in investment decision-making. Because the company is able to raise its own funds and gives complete information about its investment ideas, the management is not required to go through the capital markets in order to obtain financing for the business. Therefore, managers are able to make investments that are detrimental to the wealth of shareholders. It is acceptable for profitable businesses to act in their own self-interest by allocating some of their resources to cover unnecessary expenditures and investments that do not produce a return on investment (Awaysheh et al., 2020).

The correlation between good corporate governance and the value of a company has been the subject of a significant number of research projects, all of which have produced extremely contradictory findings. The majority of these studies have found that there is a positive connection between good corporate governance and the value of a company, while others have found that there is a negative connection (Al-Tae & Flayyih, 2023). This line of reasoning appears in the literature time and time again, and it can be paraphrased as "corporate governance does not appear to have any discernible effect on business value". The research found that inconsistent results occurred due to the use of inaccurate proxies for the independence of the board. According to the findings of Akben-Selcuk (2019), it would appear that the composition of boards of directors has no bearing on the value of businesses. Numerous studies have reached the conclusion that good corporate governance practises have a positive

impact on the value of companies (Reboredo & Ugolini, 2020). According to Djuwita et al. (2019), businesses that participate in country-specific capital markets have a higher value, and the valuation premiums that accompany this higher value are inversely proportional to the level of investor protection offered by the firm's home country (see also Nguyen, 2022). According to Nuryana and Surjandari (2019), the value of a company has a negative correlation with proxies for the protection of investors. This research also suggests that investors in countries that do not provide adequate protection for investors place a lower value on company assets because they believe that they will not benefit to their full potential from these assets (Nizam et al., 2019).

According to research conducted, an increase in either domestic or global risks is likely to result in an increase in the volatility of the stock market. According to Saraa et al. (2020), it is essential for investors to conduct research on the political, financial, and economic climate of a country in order to minimise investment risk. It should come as no surprise that being exposed to various financial risks in the political, economic, or financial spheres could lead to a global financial crisis, as well as a bubble in the stock market (Candera & Indah, 2020). Fareso (2023) advises bank managers and policymakers to offer high attention to internal and external aspects and set direction to manage the most dominant performance factors. Additionally, according to the study's findings, sensitivity analysis was accurate thanks to a statistical test (Aghakarimi et al., 2023). Additionally, utilizing a SWOT (strengths, weaknesses, opportunities, and threats) analysis, suitable improvement plans are offered. Designers can create more intelligent systems from a CAMELS perspective (Alkhafaji et al., 2018; Ali et al., 2023).

The significance of this study is derived from the significant role that the Iraq Stock Exchange (ISE) plays in the global economy, as well as the links that exist between the ISE and a variety of international issues. It is one of the components of the structure of the financing system and one of the primary sources for mobilising savings and employing them in investment, which provides savers with new opportunities to invest their savings at the same time that it provides investment companies with a variety of financing sources (stocks, bonds, etc.), to meet their capital needs for expansion purposes. In addition to the research's contribution to rationalising the economic activity of the market through the process of evaluating economic performance, the research has also contributed to the field of economics. It is crucial for decision-makers in government to be aware of the domestic issues that have the most impact on the stock market, just as it is for investors to have this knowledge. According to Salameh et al. (2019), the stock market is also negatively affected by the uncertainty that exists on a global scale.

The productiveness of the economic role that the Iraqi market for securities plays has not been brought to anyone's attention. On the other hand, there are international challenges and risks that may limit future market activity and cause problems and crises. Because of this, standing on the reality of this market to determine the negatives, and quickly overcoming the obstacles and problems faced by it, is necessary in order for it to continue to be effective in the economy.

A study was carried out as a direct result of this in order to analyse the economic performance of the Iraqi securities market over the course of the period 2010–2020. In order to acquire a clearer picture of how well its economy is performing, an investigation into the potential domestic and international difficulties and risk factors that may be brought on by the scenario has been carried out. This was done in order to gain a better understanding of the situation. This has been done in order to acquire a better idea of how well its economy is doing, and this has been the driving force behind it. In addition to this, the ease with which the country's economy can interact with the economies of the rest of the globe is another factor that has been taken into account.

The study of finance has seen a number of theoretical contributions over the years. It is done by employing a variety of ratios, statistical tools, and procedures to evaluate the banks' profitability, efficiency, and overall financial health. This contributes to the advancement of AFP analysis. In addition, the study broadens the applicability of financial theories by applying them to the unique circumstances of the Iraqi banking sector. As a result, it provides insightful information regarding the functioning of the industry, as well as the issues it faces. The research analyzes trends and cyclical patterns in the banking industry through the use of a longitudinal analysis. This knowledge is crucial for future research and policymaking and will be provided by the study. In addition, the findings may have consequences for banking regulation, policy, and the decision-making of investors, in addition to providing possible routes for additional research and investigation into particular facets of the Iraqi banking system.

3. RESEARCH METHODOLOGY

All private banks in communities are listed in the ISE. We are choosing the research sample from the community by selecting 10 private banks for the period 2010–2020.

This strategy is predicated on the belief that every asset can be categorized according to two statistical characteristics: a position statistical characteristic, which provides a metric of the average return of an asset over some period of time; and a dispersion statistical characteristic, which quantifies the asset risk. The belief that every asset can be categorized according to these two statistical characteristics is what underpins this strategy. When calculating the average return of each stock, an arithmetic average of the returns on the stock throughout each period is taken into account (Abate et al., 2021).

$$P_{ci} = \frac{\sum_{i=0}^n Y_{ni}}{n} \quad (1)$$

where, P is the overall average return of the stock; Y_{ni} is the return of the stock for period, n is the total number of periods that were taken into consideration. The following formula can be used to calculate the standard deviation of a stock's returns, which will then be used to calculate the risk value associated with that particular stock.

Critical assessment (CA):

$$CA = \sqrt{2 \sum_{n=0}^m (x^2 + y^2)} \quad (2)$$

where, x_i represents the proportion of total capital allocated to the purchase of stock $R_{m,n}$ denotes the middle value. The correlation between stocks m and n , and n is the total number of stocks. Even though these strategies might be used, it would be difficult to implement them because there are so many stocks and percentages to evaluate.

Risk estimation formulation (REF):

$$REF = \sum_N^m x_i (P - P_{max}) \quad (3)$$

where, x_i is a real variable representing the proportion (expressed in tenths) of stock n that has to be purchased and where n is the quantity of stock.

The growth of the performance of the Iraqi market for securities is an important necessity that is required by the process of contact between

market activity and local financial and economic institutions. This interaction is required for the development of the Iraqi market for securities.

This method analyses the financial statements of the ISE, as well as indicators of its AFP, to determine its role in the economy, as well as the extent to which it is willing to face the risks of financial openness expected in the future. The research has taken the descriptive approach and turned it into an analytical method to reach its goal.

4. RESULTS AND DISCUSSION

4.1. Hypothesis validation using normality test based on the F-test

The aim of this study is to analyze international financial and accounting issues, along with techniques for overcoming challenges and making preparations for any risks arising from these elements. It is noteworthy that the F-value is 0.776, with a Sig. of 0.000; consequently, the results presented in Table 1 are affirmed. Thus, the proposed assumption period covering the years 2010–2020 has been approved as a result.

Table 1. Details of the tested assumption

Model	Sum of R ²	Df	Mean of squares	F-value	Sig.
Linear regression	10	7.35	49.34	0.87	000
Residual values	24.33	13			
Total	34.33	20.35			

4.2. Kolmogorov-Smirnov method

The normality test is performed in order to determine whether or not the residual data follows a normal distribution. The models now in use have been subjected to this examination (CA and REF).

R-square, standard errors, and values of Durbin-Watson have all been taken into consideration in order to determine whether or not the assumption in question is appropriate for the current analysis. The results of this investigation are presented in Table 2.

Table 2. Normality based on Kolmogorov-Smirnov method

Methods	Residual values	R ²	Preferable R ²	Error	Durbin-Watson test
CA	0.445	1.223	0.98	0.0023	00
REF	0.675	1.445	0.8897	0.053	0.0034

4.3. AFP analysis based on the proposed methods

The results that are displayed in Table 3 also demonstrate that the outcomes of the risk assessment and the return are extremely comparable, with the gap between them being marginally narrower for the outcomes of the minimization problem. It is essential to make a note of the fact that the portfolio

compositions that are produced by the various problems are distinct from one another. This was to be expected given that the variables are given significant weight and that the issues allow for an endless variety of answers. Due to the existence of this fact, it is possible to set percentages for each stock in order to generate returns and risks that are comparable.

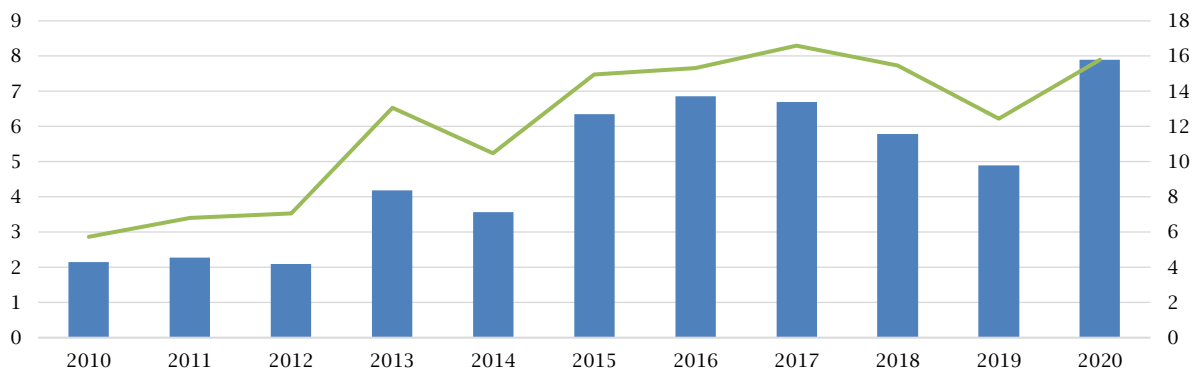
Table 3. The accounting financial performance analysis for the period 2010–2020

Year	Method	X_i	P_i	n_i
2010	CA	56	12	0.846
	REF		00	0.29
2011	CA	65	51	1.35
	REF		0.009	0.092
2012	CA	98	34	0.56
	REF		0.4	1.24
2013	CA	13	99	0.93
	REF		0.003	0.43
2014	CA	33	88	0.13
	REF		0.112	0.069
2015	CA	98	98	0.87
	REF		0.45	0.24
2016	CA	53	54	1.2
	REF		000	0.092
2017	CA	44	76	00
	REF		0.008	1.2
2018	CA	87	55	0.9
	REF		0.83	0.43
2019	CA	87	0.98	00
	REF		87	0.009
2020	CA	100	0.89	0.45
	REF		87	0.001

4.4. Fluctuations of the liquidity based on AFP for the period 2010–2020

The value of the securities that are listed on the stock market as a proportion of the total gross domestic product is one of the metrics that can be used to evaluate the size of the market. It is a measurement of how deeply embedded the value of the market is in the economy of the nation. Its use is predicated on the notion, from an economic point of view, that the size of the stock market has a positive or negative correlation with its capacity to mobilise savings and steer them toward varied investments at the macroeconomic level.

The ratio of the market value to the gross domestic product in the year 2015 reached around 2.09%, then declined to 1.05% in 2016, and then increased to 5.43% in 2017, and the increase came back to 9.85% in 2016 despite its decrease in 2017. As a result of the worsening of the security situation, the unemployment rate rose to 6.34%, however, it has since fallen back down to 7.4% in 2019, as indicated in Figure 1. Despite the fact that this proportion has gone down, it still indicates that the market value has increased at a rate that is higher than the rate at which AFP analysis based on the proposed methods has expanded over this time period.

Figure 1. Liquidity variations over the period 2010–2020

4.5. The period's principal market (2010–2020)

During the period 2010–2020, there was not much of an increase in the ratio of new issuances from stocks to AFP analysis based on the proposed methods. According to Figure 1, this ratio was able to reach a maximum of 2.34% on average in 2017, while it reached a maximum of 4.33% in 2018. This proportion continued its downward trend during the years that followed, reaching its lowest point of 3.2% in the year 2019. This indicates that the primary market is small and that the instruments that are offered there are limited.

More specifically, this indicates that the ratio of savings that are directed to the primary market for investment in securities is low and that the financial instruments that are offered in this market have a limited ability to attract the savings that are currently available. *The proportion of new issues to total domestic savings (gross domestic product):* This indicator illustrates the degree to which the primary market encourages the accumulation of savings within a country. The ratio of new issues of shares to gross domestic savings climbed from 0.8% in 2011 until it reached its greatest level in 2016 with limits of 20.3%, as shown in Figure 1. Despite

the fact that this ratio has been declining over the years, it has been increasing since 2011 (2011, 2012, 2013, and 2014). Over the course of the subsequent years, this proportion shifted and rose until it reached 3.8% in the year 2020.

Due to the increased market activity that drove savers to subscribe to shares and bonds issued in the market, the ratio of new issuance of shares to gross domestic savings during the period 2010–2016 was high, as shown in the previous paragraphs. This was the case during the time in question. While the percentage was low and unstable during the period 2016–2020, this indicates that savers are moving their money to other, safer savings areas for themselves; consequently, this situation calls for a prompt response to revitalise the issuance market and diversify the tools and institutions that increase savers' ability to play their role in mobilising savings and channelling them toward real investment. The ratio of new issues to total fixed investment indicates that the primary market's contribution to financing investments throughout the period from 2010 to 2020 was average, as it averaged 11%. It reached its lowest point in 2011 at 12%, having dropped from a high of 44% in 2016. On the other hand, it went up to 23% in 2020 and then started going down, eventually reaching 12% in 2014, respectively, before levelling off. This is evident that the primary market is continuing to be weak in terms of its ability to contribute to the financing of new developments. *The proportion of the banking system's long-term deposits that consist of fresh issues:* This indicator is one of the measurements that reflect how efficient the stock market is. It indicates the market's ability to mobilise savings and refocus them toward long-term investments. It is pointed out that the value of long-term deposits (non-current savings deposits) in the banking system far exceeds the value of current deposits. This demonstrates the existence of significant savings that can be redirected through the primary market toward long-term investments. The proportion of total new issuances to total non-current savings deposits (long-term) varied from 11% in 2011 to 11% in 2011. This occurred throughout the same year. After that, this percentage started going up and down until it finally hit 22% in 2020.

Because of fluctuations in the ratio, the primary market in Iraq does not have enough capacity to absorb the large amounts of long-term savings that have been accumulated over the years with commercial banks in exchange for the lack of investment opportunities for productive projects that can be absorbed through the market. Because of these ratios, it is necessary to study possible ways to re-employ these savings annually in the form of securities through the primary market. This is because the ratios indicate that there is a large amount of long-term savings accumulated.

5. CONCLUSION

In conclusion, in spite of the reform measures that the Iraqi securities market has seen, it is still a long way from fulfilling the economic role that has been

assigned to it. This is due to the characteristics that are still characterized by it and, which represent obstacles that prevent this from happening. Despite the reform measures, it is still a long way from fulfilling its role. The lack of liquidity in the Iraqi market for securities, as demonstrated by the 33% drop in stock turnover that occurred throughout the research period. The primary market's potential size is constrained due to the limited variety of assets you currently engage in trading. The typical ratio of initial public offerings of securities to the country's gross domestic product is 12%. The low contribution rate that the primary market offers for financing ventures is a source of weakness. Because investors are turning to cash and the banking market to provide the necessary financing for them rather than offering shares for public subscription, the average ratio of the value of initial issuances to the value of fixed capital has reached 33.3%. This is due to the fact that the ratio has reached this level. In addition to giving preference to the private sector in the establishment of family joint stock businesses. The potential for the market, as well as other financial institutions, to be exposed to multiple crises, to enter illegal funds and high speculation, and to escape national funds abroad, as well as the weakness of national sovereignty in the use of monetary and financial policy as a result of vulnerability to the challenges that come along with financial openness and its challenges. The financial openness and the challenges that it presents push toward the potential exposure of the market to a wide variety of adverse effects and risks, as well as its reflection in the macroeconomic variables and the financial and economic stability, particularly in the event that sudden movements of short-term capitals take place.

This research is important since it sheds light on Iraq's banking sector's health and stability. It helps investors choose solid, growing private banks. The research helps regulators and policymakers evaluate banking regulations and strategies to ensure a healthy financial system. Recognizing bank performance trends aids risk assessment and long-term planning. The research improves banking openness and academic knowledge. The study's comprehensive analysis benefits stakeholders and helps the Iraqi banking sector grow.

Researchers faced several limitations and constraints regarding the study's outcomes, which can be summarized on two fronts. Firstly, there were constraints related to conducting advanced statistical analyses, diverging from the traditional approach in financial accounting analysis. STATA Program was employed for extracting the study's results. On the other side, challenges arose concerning the banking performance of several Iraqi banks after being blacklisted by the United States government due to money laundering issues. Therefore, the results were analyzed in a holistic manner rather than a detailed one to avoid complications that may arise from assessing the performance of these banks.

REFERENCES

1. Abass, Z. K., Al-Abedi, T. K., & Flayyih, H. H. (2023). Integration between COBIT and COSO for internal control and its reflection on auditing risk with corporate governance as the mediating variable. *International Journal of Economics and Finance Studies*, 15(2), 40-58. <https://doi.org/10.34111/ijefs.202315203>
2. Abate, G., Basile, I., & Ferrari, P. (2021). The level of sustainability and mutual fund performance in Europe: An empirical analysis using ESG ratings. *Corporate Social Responsibility and Environmental Management*, 28(5), 1446-1455. <https://doi.org/10.1002/csr.2175>
3. Aghakarimi, E., Fereidouni, Z., Hamid, M., Rabbani, E., & Rabbani, M. (2023). An integrated framework to assess and improve the financial soundness of private banks. *Scientia Iranica*. Advance online publication. <https://doi.org/10.24200/sci.2023.60931.7060>
4. Akben-Selcuk, E. (2019). Corporate social responsibility and financial performance: The moderating role of ownership concentration in Turkey. *Sustainability*, 11(13), Article 3643. <https://doi.org/10.3390/su11133643>
5. Alabdullah, T. T. Y. (2023). Capital market companies in the UAE: Determinants and factors affecting the performance of listed UAE companies. *Cashflow: Current Advanced Research on Sharia Finance and Economic Worldwide*, 3(1), 1-18. <https://doi.org/10.55047/cashflow.v3i1.791>
6. Al-Hroot, Y. A., Al-Qudah, L. A., & Alkharabsha, F. I. (2020). The impact of horizontal mergers on the performance of the Jordanian banking sector. *The Journal of Asian Finance, Economics and Business*, 7(7), 49-58. <https://doi.org/10.13106/jafeb.2020.vol7.no7.049>
7. Ali, M. A., Hussin, N., Flayyih, H. H., Haddad, H., Al-Ramahi, N. M., Almubaydeen, T. H., Hussein, S. A., & Hasan Abunaila, A. S. (2023). A multidimensional view of intellectual capital and dynamic innovative performance. *Journal of Risk and Financial Management*, 16(3), Article 139. <https://doi.org/10.3390/jrfm16030139>
8. Alkhafaji, A., Talab, H. R., Flayyih, H. H., & Hussein, N. A. (2018). The impact of management control systems (MCS) on organizations performance a literature review. *Journal of Economics and Administrative Sciences*, 24(105), 1-16. <https://www.iasj.net/iasj/article/146627>
9. Al-Tae, S. H. H., & Flayyih, H. H. (2023). Impact of the electronic internal auditing based on IT governance to reduce auditing risk. *Corporate Governance and Organizational Behavior Review*, 7(1), 94-100. <https://doi.org/10.22495/cgobrv7i1p9>
10. Amahalu, N., & Ezechukwu, B. O. (2017). Effect of cash holding on financial performance of selected quoted insurance firms in Nigeria. *Journal of Marketing Management and Consumer Behavior*, 2(1), 90-112. <https://ssrn.com/abstract=3125603>
11. Alwaysheh, A., Heron, R. A., Perry, T., & Wilson, J. I. (2020). On the relation between corporate social responsibility and financial performance. *Strategic Management Journal*, 41(6), 965-987. <https://doi.org/10.1002/smj.3122>
12. Bakhtiyarovich, K. R. (2020). Analysis of financial performance of private banks in Uzbekistan. *International Journal of Psychosocial Rehabilitation*, 24(5), 3713-3722. <https://doi.org/10.37200/IJPR/V24I5/PR202080>
13. Candra, M., & Indah, K. D. (2020). Financial performance Islamic banking: A comparative analysis before and during the COVID-19 pandemic in Indonesia. *International Journal of Business, Management and Economics*, 1(2), 44-52. <https://doi.org/10.47747/ijbmer.v1i2.201>
14. Daryanto, W., Samidi, S., & Siregar, D. (2018). The impact of financial liquidity and leverage on financial performance: Evidence from property and real estate enterprises in Indonesia. *Management Science Letters*, 8(12), 1345-1352. <https://doi.org/10.5267/j.msl.2018.9.005>
15. Djuwita, D., Setiowati, N. E., & Kulsum, U. (2019). The influence of Sharia compliance and Sharia corporate governance on the financial performance of Sharia commercial banks. *Al-Amwal: Jurnal Ekonomi dan Perbankan Syariah*, 11(2), 205-220. <https://www.syekhnujati.ac.id/jurnal/index.php/amwal/article/view/4072>
16. Fareso, D. D. (2023). *Determinants of financial performance of commercial banks in Ethiopia* [Doctoral dissertation, Hawassa University]. HU Institutional Repository. <http://etd.hu.edu.et/handle/123456789/3215>
17. Flayyih, H. H., & Khiari, W. (2023). Empirically measuring the impact of corporate social responsibility on earnings management in listed banks of the Iraqi Stock Exchange: The mediating role of corporate governance. *Industrial Engineering and Management Systems*, 22(3), 321-333. <https://doi.org/10.7232/ie.ms.2023.22.3.321>
18. Griffin, K. (2003). Economic globalization and institutions of global governance. *Development and Change*, 34(5), 789-808. <https://doi.org/10.1111/j.1467-7660.2003.00329.x>
19. Hadi, A. H., Abdulhameed, G. R., Malik, Y. S., & Flayyih, H. H. (2023). The influence of information technology (IT) on firm profitability and stock returns. *Eastern-European Journal of Enterprise Technologies*, 4(13(124)), 87-93. <https://doi.org/10.15587/1729-4061.2023.286212>
20. Hadi, A. H., Ali, M. N., Al-Shiblawi, G. A. K., Flayyih, H. H., & Talab, H. R. (2023). The effects of information technology adoption on the financial reporting: Moderating role of audit risk. *International Journal of Economics and Finance Studies*, 15(1), 47-63. <https://sobiad.org/menuscript/index.php/ijefs/article/view/1399>
21. Hasan, S. I., Saeed, H. S., Al-Abedi, T. K., & Flayyih, H. H. (2023). The role of target cost management approach in reducing costs for the achievement of competitive advantage as a mediator: An applied study of the Iraqi electrical industry. *International Journal of Economics and Finance Studies*, 15(2), 214-230. <http://sobiad.org/menuscript/index.php/ijefs/article/download/1516/384>
22. Kyere, M., & Ausloos, M. (2021). Corporate governance and firms financial performance in the United Kingdom. *International Journal of Finance & Economics*, 26(2), 1871-1885. <https://doi.org/10.1002/ijfe.1883>
23. Manawar, A., Lukita, C., & Meria, L. (2023). The evolution of financial technology in Indonesia. *Startuppreneur Business Digital. SABDA Journal*, 2(2), 192-206. <https://doi.org/10.33050/sabda.v2i2.367>
24. Mwende, M. J., Muturi, W., & Njeru, A. (2019). Effect of equity finance on financial performance of small and medium enterprises in Kenya. *International Journal of Business and Social Science*, 10(5), 60-75. <https://doi.org/10.30845/ijbss.v10n5p7>
25. Nguyen, H. T. X. (2022). The effect of COVID-19 pandemic on financial performance of firms: Empirical evidence from Vietnamese logistics enterprises. *The Journal of Asian Finance, Economics and Business*, 9(2), 177-183. <https://pesquisa.bvsalud.org/global-literature-on-novel-coronavirus-2019-ncov/resource/pt/covidwho-1667735>

26. Nizam, E., Ng, A., Dewandaru, G., Nagayev, R., & Nkoba, M. A. (2019). The impact of social and environmental sustainability on financial performance: A global analysis of the banking sector. *Journal of Multinational Financial Management*, 49, 35-53. <https://doi.org/10.1016/j.mulfin.2019.01.002>
27. Nuryana, Y., & Surjandari, D. A. (2019). The effect of good corporate governance mechanism, and earning management on company financial performance. *Global Journal of Management and Business Research*, 19(D1), 27-39. <https://journalofbusiness.org/index.php/GJMBR/article/view/2668>
28. Pramitasari, T. D., & Subaida, I. (2022). Comparative analysis of banking financial performance pre and post COVID-19 pandemic. *Indonesian Management and Accounting Research*, 20(1), 17-32. <https://doi.org/10.25105/imar.v20i1.7774>
29. Pratiwi, R. D., & Pamungkas, I. D. (2020). The effects of financial performance on firm value and good corporate governance: Evidence from Indonesia. *International Journal of Innovation, Creativity and Change*, 13(12), 220-233. https://www.ijicc.net/images/vol_13/Iss_12/131216-Pratiwi_2020_E_R.pdf
30. Putra, N. I., Siregar, H., & Johan, S. (2018). The influence of mergers and acquisitions on financial performance and stock return of Indonesian banks. *European Journal of Accounting, Auditing and Finance Research*, 6(4), 79-94. <https://www.eajournals.org/wp-content/uploads/The-Influence-of-Mergers-and-Acquisitions-on-Financial-Performance-and-Stock-Return-of-Indonesian-Banks.pdf>
31. Reboredo, J. C., & Ugolini, A. (2020). Price connectedness between green bond and financial markets. *Economic Modelling*, 88, 25-38. <https://doi.org/10.1016/j.econmod.2019.09.004>
32. Saeed, M. A., Ahmed, Z., & Zhang, W. (2021). Optimal approach for wind resource assessment using Kolmogorov-Smirnov statistic: A case study for large-scale wind farm in Pakistan. *Renewable Energy*, 168, 1229-1248. <https://doi.org/10.1016/j.renene.2021.01.008>
33. Salameh, R. S. (2019). What is the impact of internal control system on the quality of banks' financial statements in Jordan? *Academy of Accounting and Financial Studies Journal*, 23(5), 1-10. <https://www.abacademies.org/articles/What-Is-the-Impact-of-Internal-Control-System-on-the-Quality-of-Banks-Financial-Statements-in-Jordan-1528-2635-23-5-461.pdf>
34. Saraa, I. M., Saputra, K. A. K., & Utama, I. W. K. J. (2020). Financial statements of micro, small and medium enterprises based on the concept of an economic entity. *Journal of Hunan University Natural Sciences*, 47(12), 125-131. <https://repository.warmadewa.ac.id/id/eprint/1542/>
35. Shah, S. Q., & Jan, R. (2014). Analysis of financial performance of private banks in Pakistan. *Procedia — Social and Behavioral Sciences*, 109, 1021-1025. <https://doi.org/10.1016/j.sbspro.2013.12.583>
36. Susilo, D. E., Chandrarin, G., & Triatmanto, B. (2019). The importance of corporate social responsibility and financial performance for the value of banking companies in Indonesia. *International Journal of Economics & Business Administration*, 7(2), 231-238. <https://doi.org/10.35808/ijeba/239>
37. Wanjawa, B. W., & Muchemi, L. (2014). ANN model to predict stock prices at stock exchange markets. *ArXiv:1502.06434*. <https://arxiv.org/abs/1502.06434>