SUPPORTING THE INTERNAL CONTROL OF BANKS WITH THE METHODS OF PERFORMANCE AND FINANCIAL INTELLIGENCE TO ACHIEVE LEADERSHIP IN BUSINESS: AN ANALYTICAL STUDY OF A SAMPLE OF IRAQI BANKS

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<td>Originality/value: The use of more financial methods and skills stimulates the acquisition of skills to better invest human capabilities in order to achieve entrepreneurship. As for FI, it is one of the accounting applications that enhance the work of financial and control systems for its ability to employ local information efficiently drawing up future financial policies and plans.</td>
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APONANDO O CONTROLE INTERNO DOS BANCOS COM OS MÉTODOS DE DESEMPENHO E INTELIGÊNCIA FINANCEIRA PARA ALCANÇAR A LIDERANÇA NOS NEGÓCIOS: UM ESTUDO ANALÍTICO DE UMA AMOSTRA DE BANCOS IRAQUIANOS

RESUMO

Objetivo: O objetivo da pesquisa é abordar algumas das deficiências nos procedimentos e na estrutura do controle interno, seguindo uma variedade de métodos de ferramentas financeiras e contando com as tendências administrativas modernas.

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Supporting the Internal Control of Banks With the Methods of Performance and Financial Intelligence to Achieve Leadership in Business: an Analytical Study of a Sample of Iraqi Banks

Referencial teórico: inclui inteligência administrativa para promover o trabalho financeiro das unidades econômicas e superar suas crises e trabalhar para alcançar o crescimento econômico e o empreendedorismo em suas diversas economias.

Desenho/metodologia/abordagem: A parte prática foi realizada em uma amostra de bancos listados na Bolsa de Valores do Iraque. Existem (3) três bancos como amostra para adotar os índices financeiros desses bancos para continuar alcançando o empreendedorismo e seu crescimento no setor bancário iraquiano, que representa a comunidade de pesquisa.

Resultados: Um dos requisitos para avançar na realidade dos sistemas de controles internos dos bancos é desenvolver seus procedimentos e fortalecê-los com métodos e ferramentas de inteligência financeira, como o uso do BSC.

Pesquisa, implicações práticas e sociais: O estudo propõe um modelo para os procedimentos de supervisão apoiados por ferramentas financeiras para alcançar a inteligência administrativa do empreendedorismo, por meio da adoção do BSC.

Originalidade/valor: A utilização de mais métodos e competências financeiras estimula a aquisição de competências para melhor investir as capacidades humanas de forma a alcançar o empreendedorismo. Quanto à inteligência financeira, é uma das aplicações contábeis que potencializam o trabalho dos sistemas financeiros e de controle por sua capacidade de empregar a informação local de forma eficiente na elaboração de políticas e planos financeiros futuros.

Palavras-chave: Controle Interno, Inteligência Financeira, BSC, Empreendedorismo.

APOYANDO EL CONTROL INTERNO DE LOS BANCOS CON LOS MÉTODOS DE RENDIMIENTO E INTELIGENCIA FINANCIERA PARA LOGRAR EL LIDERAZGO EN LOS NEGOCIOS: UN ESTUDIO ANALÍTICO DE UNA MUESTRA DE BANCOS IRAQUÍES

RESUMEN

Propósito: El propósito de la investigación es abordar algunas de las deficiencias en los procedimientos y la estructura del control interno siguiendo una variedad de métodos de herramientas financieras y apoyándose en las tendencias administrativas modernas.

Metodología: La parte práctica se llevó a cabo sobre una muestra de bancos que cotizan en la Bolsa de Valores de Irak. Hay (3) tres bancos como muestra para adoptar los índices financieros de estos bancos para continuar logrando el espíritu empresarial y su crecimiento en el sector bancario iraquí, que representa a la comunidad de investigación.

Conclusiones: Uno de los requisitos para avanzar en la realidad de los sistemas de control interno de los bancos es desarrollar sus procedimientos y fortalecerlos con métodos y herramientas de inteligencia financiera como el uso del cuadro de mando integral.

Implicaciones de la Investigación: el estudio propone un modelo para los procedimientos de supervisión apoyados en herramientas financieras para lograr la inteligencia administrativa del emprendimiento, a través de la adopción del cuadro de mando integral.

Palabras clave: Control Interno, Inteligencia Financiera, Cuadro de Mando Integral, Emprendimiento.

INTROUDUCTION

Financial Intelligence is one of the most important, mysterious, and complex scientific fields. It is a mixture of what is social, psychological and skill. So, it is an overlap of convergent and different knowledge among them. The financially intelligent person is the one who can possess different and varied messages (cultural, economic and social). Hence, research began in the field of FI, and the scales of success were reversed in the twenty-first century, as laws and principles changed, and we were facing a new economy and era of the knowledge economy.
Also, FI became a great value for most individuals, so we find that the large and small are looking for easy ways and new and easy ways, to get more money (Yase & Jabbar, 2022).

Financial Intelligence is a type of business intelligence as the term business intelligence appeared in 1865 AD in a book entitled Cyclopedia of Commercial and Business Anecdotes (2020) by Richard Millar Deveins, who used the term to explain how the banker (Henry Furness) makes profits by making decisions based on information obtained from the surrounding environment. Since the term business intelligence first appeared, many definitions have emerged from different parties and people. Different types, the most famous of which is the following definition: “Business intelligence is an umbrella-like general term that falls under it a set of applications, infrastructure, tools and best practices through which data can be accessed and analyzed to extract information that aims to improve decision-making and performance to the maximum extent” (Aikins, 2011; Huang et al., 2022). This is because business intelligence has the ability to process and deal with large and huge numbers of information in a way that helps banks identify new opportunities and develop existing businesses. It is also because of the continuity and success of banks depends on their ability to adapt to developments and changes that occur in their business field (Jasim, 2020). It is the ability to analyze and interpret large and massive data in order to access information that helps create opportunities and then apply effective strategies based on business analysis, which leads to enriching the bank's work with strong competitive marketing advantages and ensuring long-term stability. Therefore, business intelligence usually aims to support the best business of decision-making, and for this reason, it is possible to call a business intelligence system a decision support system (Lönnqvist & Pirttimäki, 2006; Abdullah & Mansor, 2018).

The researchers believe that decision support is done by monitoring developments and events taking place in the bank in its field of work through its reliance on continuous improvement of its work. It is also conducted by exploiting the opportunities available to it and avoiding errors that may occur and thus avoiding the high costs resulting from error handling. To provide the bank for high-quality services at low costs, and to obtain these advantages, the bank must rely on business intelligence and FI, all of which works to achieve leadership.

**Justification**

The economic units operating in the Iraqi environment suffer from instability due to the economic, social, and political influences and other aspects of life. Certainly, the Internal Control (IC) procedures of the economic units are affected by all these variables (Nikkeh et al., 2022). The integrity of the IC structure needs to be developed continuously in several ways as...
the continuity and success of economic units depends on its adaptation in the field of its business, so it must continue to continuously improve its business and exploit the available economic opportunities, so it must avoid mistakes because it incurs high costs to address these errors in a way that enables economic units to provide their goods and services with high quality and at the lowest costs. Also, the use of performance ratios and FI enhances the control process and works to achieve the optimal use of available resources while rationalizing its financial decisions.

**Objective of the work or research problem**

The research problem is represented in some aspects of the shortcomings suffered by the IC systems in the banking sector, whether in its procedures or its structure. Thus, it needs continuous treatment and development with modern methods, whether related to financial tools or related to modern administrative trends in order to continuously improve to reach the stages of leadership in business those banks.

The research aims to Addressing the deficiencies and shortcomings in the IC systems and their procedures for the research sample banks, Strengthening the IC of banks using modern methods such as financial ratios, and seriously attempting to continuously improve banks performance in order to achieve leadership in their work.

The research derives its importance from its focus on essential points:

1- IC procedures in an important and influential sector, namely the banking sector, whose impact is reflected on all sectors of the economy at the country level.

2- Using modern tools, including what enhances FI, such as financial ratios and the BSC to achieve leadership in the banking business.

3- Emphasizing the importance of strategic planning for banks with financial tools to face future risks.

**LITERATURE REVIEW**

**Concept and the most important modern trends of IC systems**

The IC system is defined as “a set of ICs that are exercised by the bank’s management to ensure the efficiency of the work it does. It also achieves preventive control by preventing and detecting fraud and manipulation before it occurs, preventing its recurrence in the future, and controlling the resources available to the bank” (Al-Karawi, 2015).

IC is defined in accordance with International Standard on Auditing No. (315) as the design and implementation by those charged of control, management and other employees to
provide reasonable assurance about the achievement of the bank’s objectives. This is in terms of the reliability of the presentation of financial statements, the effectiveness and efficiency of operations, as well as compliance with applicable laws and regulations (Al-Shaer, 2018). As for the definition of IC according to the (COSO) framework, it is a process affected by the members of the board of directors of the economic unit, management, and other users, designed to provide reasonable assurance regarding the achievement of the unit’s objectives in the following areas (Al-Johar et al., 2021; Mohammed et al., 2021):

1. Efficiency and effectiveness of operational processes.
2. Reliability of financial reporting.
3. Compliance with applicable laws and regulations

**Characteristics of the IC system**

The main characteristics that are available in any sound control system are as follows (Mili, 2020):

1. **Effectiveness.** It is in the sense of using a good and advanced control system based on discovering errors and deviations before they occur and treating them in a way that ensures that they do not exist in the future at the lowest possible cost and in the fastest time.
2. **Accuracy:** The control system must be able to obtain correct, accurate and complete information about performance and at the same time ascertain its source through the data recorded in accounting documents and records.
3. **Flexibility:** It is adapting to the new changes in the organization
4. **Appropriate timing:** It is necessary to have a sound control system to receive all information in a timely manner. Accordingly, those in charge of various control activities must take into account the time, especially those in charge of preparing reports.
5. **Integration:** There must be integration between the plans themselves, as well as the integration between the control systems used.

**Executive procedures to achieve the characteristics of IC**

Among these executive procedures are the following (Abaidoo & Anyigba, 2020):

1. **Organizational and administrative procedures**

These procedures are related to aspects of activity within the bank. We note procedures related to administrative performance, which are as follows:
A- Defining the competencies

The organizational structure of the bank is based on defining the competencies of each of the existing directorates (Al-Qanani, 2009).

B- Division of work

Division of work supports the identification of competencies within the bank and greatly reduces the occurrence of errors, theft and manipulation (Al-Taee & Kadhim Al-Jauhar, 2022).

C- Distribution of responsibilities

Determining responsibilities enables each employee to know the limits of the work, the responsibilities and the commitment towards them. The other hand gives seriousness and accuracy in the implementation of the work (Phiri, 2020).

D- Giving express instructions

Issuing explicit and clear instructions issued by the official within the directorate, department or department to those who implement them, enabling the instructions to be understood and implemented to the fullest (Al-Refiay et al., 2022).

E- Conducting movement of transfers between employees

The movement of transfers between employees must be studied and based on a scientific basis and not conflict with the workflow, such as changing an employee from the accounts department, and an employee should not change from a department that differs significantly from working within the department (Drigo, 2019).

2- Accounting Procedures

Putting in place procedures that enable permanent oversight of the accounting work to achieve the effectiveness of the IC system, through:

A- Immediate recording of operations

The accountant records transactions immediately after their occurrence, in order to avoid the accumulation of documents and their loss. Thus, the speed that accompanies accuracy in registration enables speed in arranging and keeping the accounting documents on the basis of which the accounting registration was made, which is without a specific registration except according to known methods such as the zero complement method or the reverse of registration, then proof of the correct registration (Flayyih & Flayyih, 2019).

B - Verifying the authenticity of the documents

The documents contain a set of data that expresses the operations carried out by the bank. Therefore, simplicity, the number of copies needed, and the provision of instructions on how to use them, which represent the basic principles when designing these documents, should be taken into account (Flayyih et al., 2019).
C- Procedures for periodic reconciliations

The reason for the existence of IC procedures is to inspect to what extent are the output of accounting information systems correct by making periodic comparisons between the various sources of documents on the one hand and on the other hand between documents and the tangible reality of physical inventory / as a comparison of sales accounts with what was actually sold (Snell & Youndt, 1995).

3- General Procedures

It is insuring the bank’s property, as well as insurance against breach of trust, the adoption of double control, and in the end, the introduction of automated work:

A- Insuring the property of the bank

The bank resorts to insuring its property against all possible risks and good storage of materials by excluding self-interaction with them in order to avoid losses and preserve its properties (Hilton, 2001).

B- Insurance against breach of trust

In light of strengthening the elements of the IC system, one of its procedures is to insure employees who work directly in cash, whether collecting or disbursing it, or who fall within their jurisdiction to physically insure goods, securities, or trade against breach of trust (Greenberg & Park, 2017).

C- Adoption of double supervision

This procedure is used in most banks as it provides a guarantee for the observation of cash and to avoid manipulation and theft. (Mahdia et al., 2020)

D- Entering automated work (electronic)

Automated work is one of the most important means by which accounting information systems are operated in particular, in order to generate credible information at the right time and place in order to meet the needs of the parties using them (Ali & Flayyih, 2021). Also, the rapid processing of data can give us financial and accounting lists that reflect the true position of the bank (Kokina & Blanchette, 2019).

Financial Intelligence and its role in achieving entrepreneurship

The general definition of FI is the ability to quickly and deeply understand the world of finance, and adapt to the requirements of entering this world, by collecting and analyzing appropriate data and information in depth and speed, to achieve financial goals (Abu-Hilal, 2017) that FI is part of our general intelligence that It is used to solve financial problems. Also, the financial IQ is the measure of it as it is just a measuring tool. For example, if the profits
were (10000) dollars and (25%) were paid as taxes. Then my FI will be higher than someone who earns the amount (10000) dollars But he pays taxes at a rate of (40%), as FI includes several levels, including the ability to save, earn and spend (Caseiro & Coelho, 2019).

FI, in principle, is the ability to produce both money and value, and individuals in this ability are four (Abass et al., 2022):

1. A category that produces money and value together, and the examples here are many, which are all economic activities that have added value to the external customer and the financial return to the internal customer, and this is FI.
2. A category that produces value but does not produce money. This category includes all the activities of the third sector and the activities of profit organizations that take place within the framework of their social responsibility and the voluntary work of individuals, and this can be called financial generosity.
3. A category that produces money but does not produce value. An example of this is hierarchical marketing, and this can be called financial savvy.
4. A category that does not produce value nor money.

Financial Intelligence is represented by the ways of thinking that financial decision makers use to obtain financial support from a range of options that are available or that can be invented. The concept of FI is the performance of workers to do their job well through a clear and good understanding of the measures of financial success and how they affect performance. Also, its skills are the mainstay of financial engineering. As financial innovation and financial engineering are two overlapping and complementary concepts in many stages, as financial engineering is a design tool that depends on financial innovation, which in turn depends on financial expertise and skills and the ability to employ statistical and mathematical models in analyzing complex financial issues to obtain Required financial innovations (Kazem, 2020). It aims at how individuals manage their money and know where it will be spent and when it will be saved. Its effects, it is also important to be aware of dealing with and interacting with it and with other participating parties (Al-taee & Flayyih, 2022).

The researchers believe that the investment of money in a way that works to continuously improve the profits of economic banks by investing money in areas that achieve profits. Workers in this sector must be characterized by FI, in order to develop their banks’ business.
The measure of Financial Intelligence

The FI of people is measured by their learning to direct the money they have in their possession to what they need only and not to waste on non-essential things that can be dispensed with, but rather to save it and save it for time. They should not be stingy but careful, as the FI of individuals is measured in their understanding of all the details related to the methods of earning their own money and learning how not to waste it (Flayyih et al., 2022) and to achieve FI, there are four steps we need to follow and then monitor (Bourton, 2020):

1. Preparing the budget: The budget includes classifying the cash flow so that you better understand what money is coming in, what money is going out, and where it is going. The preparation categories include necessary bills, loan payments.

2. Create an emergency fund is a savings account or an investment account that contains a stock of money that lasts several months. When you collide with sudden expenses, the funds should be easy to access.

4. Paying off high-interest debts is the minimum amount required to pay off the debt should always be paid if it is financially feasible. Any late fees you get from not doing so will also accrue interest and just be unnecessary payments.

5. Investing for the future, whatever the future plans may be, as all of them require one thing, which is “money”, as its presence is largely the important reason for investing in the future. The term (investment) was used to distinguish it from the term “saving” despite the importance of investment for short-term plans. It is not suitable for long-term plans. The steps of FI can be illustrated through the figure below:  

The steps of FI can be illustrated through the figure below:
It is also possible to achieve FI through the following (Al-khoury et al., 2022):

1. Understand the basics of finance, which represents the knowledge of basic financial metrics through a deep and detailed reading of the financial statements (balance sheet, income statement, cash flow statement).

2. The art and craftsmanship of dealing with financial statements. The art of the understanding represents dealing with financial and accounting numbers with high accuracy and skill in order to reach conclusions that mimic the current and future performance of the bank and present them to the beneficiary in an effective manner.

3. The ability to understand analysis represents the possibility of deep analysis of information and accounting and financial numbers and linking them into a function that helps to make financial decisions in an accurate manner.

4. Understanding a big picture for the bank. The numbers that are published in the financial statements alone are not sufficient for a complete understanding of the financial position of the bank, so the financial results need some other factors to understand those results, and these factors are (a competitive environment economic, legislative, technological, and changing customer needs).

There are five main types of financial IQ: the first type of financial IQ measures the ability to earn money. The second type of financial IQ distinguishes the ability to save money. The third measures the level of budgeting skills, and the fourth calculates ability to use financial leverage. The fifth type of FI fifth (Flayyih and Khiari 2022) measures the ability to increase
financial awareness. There are many main benefits that FI provides to financial decision-makers, as follows:

1- Contributes to increasing the ability to critically evaluate the bank (Al-Rawazeq et al., 2020).
2- Enhancing a better understanding of numbers, as it gives knowledge and confidence in the analysis of financial information submitted to the relevant authorities, as it increases predictability (Al-Janabi ET AL., 2022).
3- It contributes to increasing the usability of numbers and good handling of financial tools for analysis and decision-making (Rashem & Abdullah, 2018).

MATERIAL AND METHODOLOGY

The emergence and development of commercial banks. The initial form of commercial banks is the teller or money exchanger who deals in buying and selling foreign currencies and is exchanged with local currencies, so that previously dealing was done with coins that required to ascertain their weight and degree of purity, then the emergence of banks emerged through the development of the activity of money changers who were accepting deposits. precious metals), in exchange for receipts or certificates of deposit for the amount of the deposit, and for that they receive a commission . The research includes three hypotheses:

\[ H1: \text{There is a statistically significant relationship for Supporting the internal control of in performance and financial intelligence.} \]

\[ H2: \text{There is a statistically significant relationship for Supporting the internal control in leadership in business.} \]

\[ H3: \text{There is a statistically significant relationship for Supporting the internal control in leadership in business under performance and financial intelligence.} \]

RESULTS AND DISCUSSION

The proposed model to support IC procedures using FI methods

This model includes some methods that can be clarified in two aspects, The first aspect is to strengthen IC procedures and improve financial performance, there are a number of pillars that must be strengthened. Estimating the risks to which (banks) the research sample is exposed, and that includes it:

1- Determining the risks facing banks, studying and analyzing them in a scientific manner, taking into account the general objectives.
2- Predicting the expected risks of future expansion and the possibility of their occurrence.
3- Preparing a general plan that accommodates the general objectives, growth and how to face the expected risks.

**Studying information systems and delivery channels**

Ensuring that there are effective information systems in all sections of the research sample. Ensuring that the information systems outputs are accurate and clear, especially the financial and control reports. It must be ensured that there are comprehensive communication channels that identify deviations and violations.

**Follow-up and control procedures**

The research sample (banks) must identify a set of effective procedures to follow up and update control procedures based on modern technology methods. The IC procedures are implemented by all departments. Activating the role of oversight reports and constantly following them up.

**The work environment**

Ensuring that there is an administrative structure that defines duties and responsibilities. Determining the activities of the bank’s units while defining the authorities in a manner commensurate with the workloads. Follow uping the commitment of all employees to work regulations and instructions.

**The approved financial ratios as indicators to assess performance and FI**

**These financial ratios include the following:**

- **Current Ratio** $= \frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$
- The ratio of the market value of the share to the book value of the share $= \frac{\text{market value per share}}{\text{book value per share}}$
- **Earnings per share** $= \frac{\text{net profit achieved}}{\text{total number of shares}}$
- **Return on equity** $= \frac{\text{net profit}}{\text{equity}}$
- **Return on Total Assets** $= \frac{\text{Net Profit}}{\text{Total Assets}}$

The auditor in the banking sector should focus on two important points:

1. The methods of financial performance and intelligence are among the modern methods currently used in developed countries to avoid risks and mistakes.
2. The adoption of FI methods, especially in the banking sector, helps the bank to achieve profits by making decisions based on information on the surrounding environment.

Accordingly, the researchers decided to measure financial performance and intelligence in order to achieve leadership by using (BSC) the BSC and symbolized by it BSC. The BSC, which is a strategic measurement tool that measures the following:

1. Financial performance.
2. The level of customer service.
3. Strategic vision plans.
4. The level of education of the workers.
5. The level of growth to be achieved with regard to the functions of the bank.
6. (SWOT) was used as the method of strengths and weaknesses.

Yet, it requires defining the goals and the action plan in a realistic manner according to the available capabilities, taking into account the chronology and the various initiatives, procedures, standards and performance indicators. The figure below shows the basic pillars of the adoption of BSC.

![Figure 2. Pillars of the Bank's BSC.](source)

Source: prepared by the researchers

The focus of this study is the bank's financial performance, profitability, optimal use of resources, and customer service etc all through coordination of all bank functions and infrastructure development. The researchers found that the adoption of the BSC can achieve the benefit of translating the bank’s strategy into goals and linking it at all administrative levels. This is true even at the individual level, with its extension and follow-up, and it is implemented through the following main pillars:

The first aspect is the financial performance. It means the level of financial improvements achieved by the bank, whether profits or losses, the return on capital, the strength of its financial position by following up on annual revenues and expenses, the extent of budget
commitments, the level of debts, especially known and doubtful ones, and the extent to which the bank applies international accounting standards. This is in particular Standard No. (10) Risks. In addition, how to prepare a plan, including measuring the efficiency of financial performance is also another part.

The second aspect is customer service. Here it is necessary to determine what are the indicators set by the bank to know the viewpoint of the beneficiaries and customers of the service provided, their level of satisfaction, and the timely delivery of information.

The third aspect is the basis of functions and internal processes. The measures taken by the bank to determine the efficiency and effectiveness of the main operations, the percentage of errors, the percentage of implementation, the number of new projects and the percentage of using electronic transactions are included here while preserving the operating time and improving the quality of jobs.

The fourth aspect is the learning and growth. Is there a development of infrastructure and human capabilities? What are the indicators of investments and the extent of skills development for individuals or the approved systems?

![Figure 3. The efficiency of the financial performance of the bank using the BSC](Source: prepared by the researchers)

![Figure 4. Balanced performance measurement foundations](Source: prepared by the researchers)
In light of the adoption of the BSC, the bank must formulate a comprehensive vision for the advanced banking services it provides to customers in the light of proliferation and competition, and the adoption of electronic banking, borrowing and rehabilitation policy for all employees. All these are to compete with local and international banks to turn into a comprehensive bank that provides services to various groups of society and achieves a good reputation that works efficiently in light of the values credibility.

There are different challenges facing banks, whether related to the internal or external environment of the bank, including:

1. Reducing the market share in light of competition with other banks, which is reflected in poor profitability.
2. The high level of salaries and compensation.
3. The rapid progress in the use of technology in the field of electronic banking in exchange for the availability of many opportunities, including:
   - Achieving a high level of trust among customers, and it is possible to obtain their loyalty and work to increase the number of customers.
   - Increasing investment opportunities, which leads to increased liquidity and expanded savings.
   - The active role in the stock market and the management of the investment portfolio to cover various aspects of investment.
   - Increasing the provision of investment and financing services.

From the foregoing, we conclude that the banks’ adoption of the BSC works on developing the skills of employees and motivating them. It increases their productivity and achieves a suitable climate for the bank’s entry into the field of competition with the possibility of introducing modernization of services based on technological methods to achieve a high level of customer satisfaction while exploiting the available financial resources to maximize profit and availability. The necessary liquidity, which in turn enhances the leadership of the bank and thus achieves the research hypothesis.

This work recommends use of the BSC to transform the strategic plans of the IC systems into achieved goals that contribute to the entrepreneurship of banks. Decision support is achieved by monitoring developments and events taking place for the unit in its field of work by taking advantage of the opportunities available to it and avoiding errors that may occur and thus avoiding the high costs resulting from handling the error. It is necessary for the individual to comprehend and understand well financial matters and how to think about them well, think
about them well, analyze all matters, know all matters of money and realize their effects. The necessity of investing money in the right places instead of saving it. Savings (savings accounts), despite its importance for short-term plans, are not good for long-term plans. In order to reach the level of entrepreneurship, it is necessary to adopt methods of FI, such as financial ratios that lead to the advancement of the reality of banks and achieve growth, as well as help to avoid crises and risks. In order to achieve the optimum use of the capabilities, human and financial resources, leadership is required by the bank’s senior management. To enhance the service provided to customers and help them in rationalizing their decisions. It is necessary to adopt means and tools that measure performance, such as the use of ratios and the BSC, because they enhance the value of bank reports and financial statements by achieving a greater level of effectiveness and quality of accounting work. The use of financial tools ensures useful information for banks to improve the quality of various financial decisions, especially investment in them, as it works to produce information that helps decision makers to continuously improve financial performance in a way that achieves sustainability for banks.

CONCLUSION

One of the requirements to advance the reality of banks’ IC systems is to develop their procedures and strengthen them with FI methods and tools such as the use of the BSC. FI is part of business intelligence and contributes to decision support. Also, the FI is part of our general intelligence that is used to solve financial problems, and FI is the measure for it. FI is represented by the ways of thinking that financial decision makers use to obtain financial support from among a set of options that are available or that can be invented. The FI of individuals is measured through their learning to direct the money in their possession to what they need only and not to waste money on non-essential things that can be dispensed with, but rather save it and save time. The approach based on leadership and financial analysis derives its strength from the adoption and application by the top managements in the bank to enhance the quality of their investment decisions. Leadership and financial analysis is an effective tool in making rational decisions by bank departments, which is reflected on the reputation of the bank in the labor market. The use of various financial tools contributes to increasing the level of accounting disclosure and improving the presentation of reports and financial statements for banks. The limitations faced by the researchers are the difficulty of obtaining information, and the lack of funding for researchers. In continuation of our current work, we propose to investigate the relationship between IT governance under the COBIT framework, internal control, and banking financial performance.
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