

# The Role of the Quality of Banking Services and Their Impact on Improving the Competitive Advantage for the Islamic Banks An Empirical Study of the Islamic Banks Operating in Jordan

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## Abstract

This study aimed to identify the quality of banking services dimensions, and the concept of competitive advantage for the Islamic banks, as well as measure the impact of the quality of banking services on improving the competitive advantage for the Islamic banks. To achieve the objectives of the study, the researcher prepared a tool for the purpose of data collection included on (34) item, was to make sure the sincerity of the tool by presentation at a group of arbitrators, as was confirmed reliability using the coefficient (Cronbach alpha), so the reliability coefficient overall tool is (0.91). The study found a number of results, among them the following:

1. The evaluation level of the study sample in Islamic banks operating in Jordan was a (positive), and each dimension of quality of the banking services dimensions (Tangible materialism aspects, reliability, response, trust and safety, attention and sympathy), and the competitive advantage.

2. There exist a statistically significant impact at the significance level ( $\alpha = 0.05$ ), for three dimensions of the quality of banking services (Tangible materialism aspect, reliability, trust and safety), on improving the competitive advantage in the Islamic Banks.

The study recommended in work to increase the attention of all employees in the Islamic banks, about all dimensions of quality banking services, due to their access to evaluate degree (medium) from the viewpoint of the bank customers.

**Keywords:** Quality of banking services, Competitive advantage, Islamic banks, Jordan.

## 1. Introduction

In light of the global variables as a result of the globalization of banking activity and the liberalization of banking and financial services emerged as a significant competitive challenges for Islamic banks, and to work on adapt for these changes and meet the negative effects and take advantage of the gains achieved, and became the development of banking services and keep pace with technological developments successive and achieve the desires of customers a main entrances to increase and the development of the competitiveness of Islamic banks, however, there is much criticism directed at many of the Islamic financial institutions and intellectual also interested in Islamic banking and the economy in terms of the quality of services they provide, banks measured by its role is not to services marketing and content provided by and obtained from that service, but what characterizes those contents of the symbolic values of interactive and communicative and professional looking her customer constitute his best from the viewpoint of the quality, and within this context highlights the concept of the quality in Islamic banking services, which is the Islamic banks performance measurement, effectiveness and quality testing services is one way for the development and advancement of this sector.

The quality of banking services governor element in the fierce competition between different banks circumstances, where the adoption of quality banking method would enable banks to gain a competitive capabilities enable it to survive and continue under changing environmental conditions resulting from the new economic climate.

## 2. Methodology

### 2.1. The Study Problem

The deterioration of the quality of services required in the absence of Islamic banking services developed, and the presence of a desire and a need for Islamic banking services in many banks customers even non-Muslims, and the quality and style of the service is one of the reasons that stand in front of customers in dealing with Islamic banks. Hence, there is a need to diversify the methods of providing banking services and a focus on service delivery of subsidized form, in addition to the prosecution of the legislative and financial and technical developments in the financial industry and financial markets in general and the speed of response of the investing methods in the market.

Therefore, the study of the services quality offered by Islamic banks through a field of scientific study has become an important, in order to identify the shortcomings and weaknesses in the service and help to support, develop and serve the Islamic banking sector. This can be illustrated the study problem by asking the following questions:

1. Is those typical banking services will cancel service excellence which is one of competition requirements between the banks?
2. What is the role that could be played by the quality of banking services in increasing the competitiveness of the banks surveyed by the study?

### **2.2. The Study Importance**

The importance of the study that they discussed the issue of the quality of banking services offered by banks to their customers and their impact on the competitive advantage enjoyed by these banks, so as to determine the banking quality, and to identify the interest of officials in the banks to raise competitiveness to attract customers in order to deal with these banks and to engage in investment projects profitable large for banks, raising the financial competitiveness of banks.

### **2.3. The Study Objectives**

This study aims to achieve the following:

- a. To identify the characteristics and advantages of the banking services provided in Islamic banks and the evaluate of customers to the quality of banking services level provided by banks under study.
- b. To identify the impact of the development of banking services in the creation of excellence in service between the banks.
- c. To identify on the provide access to high quality banking services mechanism.
- d. To explain the role that could be played by the quality of banking services in increasing the competitiveness of banks under study.

### **2.4. The Study Hypotheses**

The study seeks to test the following hypotheses as a null hypothesis ( $H_0$ ), as follows:

**H<sub>0</sub>**: There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), for the quality of banking services dimensions (Tangible materialism aspects, Reliability, Response, Trust and safety, Attention and sympathy), on improving the competitive advantage for the Islamic banks.

The main hypothesis branching out, the following five sub-hypotheses:

**H<sub>01</sub>**: There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), for the tangible materialism aspects on improving the competitive advantage for the Islamic banks.

**H<sub>02</sub>**: There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), for the reliability on improving the competitive advantage for the Islamic banks.

**H<sub>03</sub>**: There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), after responding to the improvement of competitive advantage for the Islamic banks.

**H<sub>04</sub>**: There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), for the trust and safety on improving the competitive advantage for the Islamic banks.

**H<sub>05</sub>**: There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), for the attention and sympathy on improving the competitive advantage for the Islamic banks.

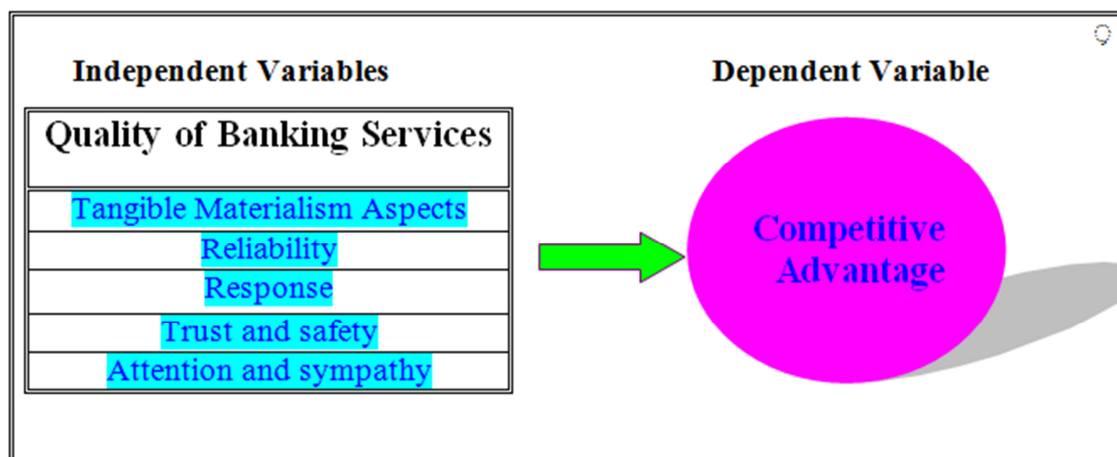
### **2.5. The Study Variables:**

**a.** Independent variables: The independent variables in this study, represented by the dimensions of the quality of banking services (Tangible materialism aspects, Reliability, Response, Trust and safety, Attention and sympathy).

**b.** Dependent variable: represented by (competitive advantage).

### **2.6. The Study Model:**

This study aimed to identify the quality of banking services and their impact on improving the competitive advantage in the Islamic banks operating in Jordan, and to achieve that was built the following study model to illustrate the relationship between the independent variables and dependent variable of the study.



Source: Prepared by the researcher.

Figure 1: Study Model

### 2.7. Previous studies

**Study of (Al Qasim, 2012)**, entitled: "The impact of organizational commitment to improving the quality of banking services: A study on a sample of Jordanian commercial banks".

The study aimed to identify the impact of organizational commitment to improving the quality of banking services in a sample of Jordanian commercial banks through determine the impact of each of emotional commitment and continuity and the standard to improve the quality of banking services in the Jordanian commercial banks. It is the findings of the study, the presence of the impact of organizational commitment and emotional continuity and normative in improving the quality of banking services, and the quality of service is one of the forms of policies adopted by the organization, which depend for their success or failure on how much they adhered to by staff within the various administrative levels in compliance with these policies.

The study recommended work to promote career commitment among workers in Jordanian banks of the importance in the development of banking services, and discuss the variables that prevent the development of an organizational commitment among employees within the various administrative levels, and urged banks departments to achieve the wishes of the customer in the form that matches the customer's expectations and bring him satisfaction in addition to fully identify the strengths and weaknesses of the banking services.

- **Study of (Al-caraky, 2010)**, entitled: "The quality of banking services and their impact on the achievement of competitive advantage for banks in Palestine, from the viewpoint of the management and customers".

The study aimed to identify the quality of banking services and their impact on achieving a competitive advantage in Palestine, from the viewpoint of the management, customers, and may be the study population from the banks working in the cities of Al-kaliel, Betlehem and Ram Allah. The study found that the ratings of respondents administrators were high on the impact of banking services in achieving the competitive advantage in Palestine through five dimensions (incarnations, reliability, safety, response, and sympathy) painted on the basis of the study objectives, also found the presence of statistically significant differences in the responses of staff about the quality of banking services in achieving the competitive advantage due to the following embodiment, response, safety, compassion, in addition to that there is no statistically significant for response personnel about the quality of banking services in achieving the competitive advantage due to the reliability dimension.

One of the main recommendations of the study the need for banks to extend credit cards to it's customers, and to increase public demand to deal with these banks, and the pursuit of excellence working in banks in the performance, which increases the chances of competing in the banks, and the sympathy of the banks with customers in the event of an emergency a problem occurs.

**Study of (Al-sagal, 2008)**, entitled: "Measuring the quality of banking services provided by commercial banks: An Empirical Study".

The study aimed to measure the quality of banking services provided in the Jordanian commercial banks through the perspective of the customers of these banks, and measured the quality of services of the two entrances, entrance and entrance directional gap, the sample included 516 bank, customers were randomly selected from the Jordanian commercial banks. The study found that the quality of banking services provided level effectively by commercial Jordanian banks was (low) compared with the quality expected by those customers level while offering them the banking service, and the study found that between expected service and

the service perceived gap as it was (negative) with that quality the service was satisfactory through directional entrance.

The study recommended the need to understand the customer's expectations in order to provide the best banking services and achieve the satisfaction they have in addition to measuring the quality of banking services and understand her customers is the main entrance to the development and improvement of the quality of service provided to customers. The study also recommended that the continuation of the deal with the banks depends on mainly on the assessment of the quality of banking services have, in addition to the need for the administration of the Jordanian banks to adopt programs to improve and develop the quality of service provided, especially with the rule of competition in the banking market and the emergence of the quality of service as a competitive advantage.

- **Study of (Abdul Qadir, 2005)**, entitled: "The quality of banking services as an input to increase the competitiveness of the banks".

The study aimed to identify the characteristics and dimensions of quality banking services, and highlight the importance of the role of the quality of banking services as an input to increase the competitiveness of banks, also seeks to draw the attention of researchers and students to the importance of benefiting from the application of the philosophy of total quality management in the field of banking services for access to high-quality services and meet the needs of customers and achieve customer satisfaction. Among the most important findings of the study that the overall quality management did not know the way to the application in the services sector in general and banking in particular.

### 3. Theoretical Side

#### 3.1 The Banking Services Concept

Quality is the price of access to the market, so the most important decisions taken by the marketing men include determining the quality of services that delivers targeted and high quality of the market more than they expect customers level (Johnston, 1999: 12).

Can be defined as services in general as: a behavior or activities or performance offers from one party to another, and these activities are considered intangible and the consequent transfer of ownership of anything as to provide the service may be linked or not linked to a physical product tangible (Al-ruwais, 2002: 62).

Also known as activities or benefits provided by party (the seller) to another party (the buyer), which is inherently intangible, and the consequent selling transfer of ownership of something, may be associated with or produced is not associated with the submitted material product significantly. (Kotler & Armstrong, 1996: 66).

The quality of banking service related to the ability of the bank to meet customer expectations or excel them, and can be observed quality of service through measurement the performance results, we can say that the service quality of its essential ingredients (Payne, 1995: 220):

1. Technical quality which the results of the service operations, and which is the quantitative aspects of banking service.
2. Functional quality (professional) which a procedural dimension in terms of customer interaction with the service provider, and which refers to how the technical quality of the transfer to the customer takes place.

#### 3.2. The Banking Properties

The Banking services are characterized by the following properties (Al-haddad, 1999: 336):

- a. Can not be made in advance banking service or store it produces and offers at the same moment that apply to the customer's request.
- b. Can not be an employee of the bank of samples from the production of the service and sent to the customer for approval for quality before buying.
- c. The banking services can not be to call again, if there are errors or defects in the produced when submitting the apology and customer satisfaction are the only alternative for the bank employees.
- d. The quality of banking service can not to examination by the bank staff before submitting them to customers.
- e. The provision of banking services is not typically different way to provide customer service to another depending on the degree of interaction between the bank employee and the customer.

#### 3.3. The Standards of the Quality of Banking Service Dimensions

The banking service quality dimensions as follows (Altman, 1998: 1):

- a. **Tangibility:** The tangible materialism aspects related to service such as buildings and modern techniques and equipment needed to provide the service of the bank, as well as the appearance of staff and style of communication with customers and so often banks used tangibility to improve it's image and provide communication with it's customers as an indicator of quality.
- b. **Reliability:** Reflect the ability of the bank from the viewpoint of customers to provide service in the time

required by the customer and accurately satisfy his ambition also reflect the extent to which the bank's obligations towards the customer.

**c. Response:** It is the ability to deal effectively with all the requirements of customers and responding to their complaints and work to resolve them efficiently and rapidly than convince customers that they are appreciated and respected by the bank who are dealing with it, in addition to that the response reflects the initiative in providing the service by open mind.

**d. Trust and safety:** It encouraged by customers that the service provided to them free of risk or error or doubts a comprehensive physical and psychological reassurance, and this is an important dimension of service perceived by the customer, such as those containing high-risk or feeling sure about his ability to assessing the benefits or outputs.

**e. Attention and sympathy:** It shows a spirit of friendship and concern for the customer and notifies him of its importance and the desire to provide the service according to his needs.

### **3.4. Measure the Quality of Islamic Banking Service Level**

There are five levels of quality banking services (Payne, 1996: 181), can be identified as follows:

**a.** Quality expected by customers, which represents the quality of banking services that they expect to get it from the bank, which deal with the level.

**b.** Perceived quality of a bank's management is aware of the quality of service provided to its customers and that it believes the saturation of their needs and desires a high level.

**c.** The technical quality which is the way the banking service by the staff of the bank and that are subject to quality standards of banking service providers.

**d.** The actual quality of the service performed, which reflect the extent of compatibility and the ability to use the methods of service are well satisfied customers in other words, how to raise the bank's staff of customers expects to get banking service level.

**e.** The desired quality for customers of any level of satisfaction and acceptance that can be obtained from the bank for its customers to receive those services.

## **4. The Method and Procedures**

### **4.1. The Study Approach**

The study relied on descriptive analytical approach, with the aim of the study sample on the variables of the study describe the responses of individuals, and measure the impact of the quality of banking services in achieving competitive advantage for Islamic banks operating in Jordan.

### **4.2. The Study Population and its Sample**

#### **a. The Study Population**

The study population of dealing with Islamic banks operating in Jordan and consists of the most prevalent and of the Jordan Islamic Bank for Investment and Finance, Islamic International Arab Bank.

#### **b. The Study Sample**

The study sample consisted of (80) customer from customers with the Jordanian Islamic Bank for Investment and Finance, and the Islamic International Arab Bank. Then the distribution (80) questionnaire to respondents, were retrieved (61) questionnaire, which reached questionnaires retrieved ratio (76.3%), and after review and audit questionnaires retrieved, were excluded (10) questionnaires to be infeasible because of the failure to respond to a number of items, and thus the number of valid questionnaires for statistical analysis (51) questionnaire, and reached valid questionnaires ratio of the number retrieved (83.6%). Making the final sample for the study (51) customer .

### **4.3. The Study Tool**

To achieve the objectives of the study, and after returning to the administrative literature in marketing and on the quality of banking services, the tool is designed to describe the role of the quality of banking services and their impact on improving the competitive advantage for the Islamic Banks operating in Jordan. The tool consisted of three parts, the first part of which dealt with the personal and functional information, while the second part dealt with the quality of banking services dimensions, while third part included the variable (competitive advantage). And was used (Likert Scale) to measure the degree to evaluation the quality of banking services dimensions, and competitive advantage. It was the adoption of a scale to measure the quality of banking services dimensions, and competitive advantage is divided into three levels, where the calculated cut-off grade by dividing the difference between the highest value of the scale (5) and the lowest value in it (1) at three levels, namely that the cut-off grade is  $\{(1-5) / 3 = 1.33\}$ . And thus the three levels as follows:



Low evaluation degree	Medium evaluation degree	High evaluation degree
1-2.33	2.34-3.67	3.68-5

After that was measured the tool sincerity and its reliability, as follows:

**a Tool Sincerity**

Has been verified the (Face Validity) of the study tool, and through the presentation to a group of arbitrators with expertise and knowledge of literature marketing at Zarqa University, and was the aim of the arbitration verify the extent of items belonging to the study variables, an appropriate degree of drafting items Linguistically, Has been taking into account the comments of the arbitrators, where been modification reworded drafting some of items, so that the questionnaire is designed in its final form.

**b. Tool Reliability**

To check the questionnaire reliability, the stability coefficient was calculated for the tool (the internal consistency of the questionnaire items) using coefficient (Cronbach Alpha) coefficient, and the reliability coefficient for the overall tool is (0.91), as shown in Table (1) the following:

**Table 1. Results of Reliability (Internal Consistency of the Questionnaire items)**

The Variables	N	Cronbach Alpha	Stability Ratio
Tangible Materialism Aspects	5	0.92	92%
Reliability	7	0.92	92%
Response	4	0.91	91%
Trust and safety	5	0.92	92%
Attention and sympathy	6	0.91	91%
Competitive Advantage	7	0.90	90%
<b>Overall Tool</b>	<b>34</b>	<b>0.91</b>	<b>91%</b>

**4.4. The Statistical Methods**

After that was finished of the emptying the data in the computer, were used some statistical descriptive and analytical methods, which its available in the Statistical Package for Social Sciences (SPSS), in order to answer the study question and test the hypotheses, So the statistical methods that were used for the purposes of the statistical analysis of data are:

- a. Means and Standard Deviations.
- b. Simple linear regression.
- c. Stepwise Multiple linear regression.

**5- The Statistical Analysis of Data**

The purpose of this section to present the results of statistical analysis of data subjects' responses of the study sample study, which was reached through the use of Statistical Package for Social Sciences (SPSS) .

**5.1. The Results Related to the Study Question**

**What the evaluation degree of the quality of banking services dimensions, and competitive advantage, from the customers viewpoint of Jordan Islamic Bank for Investment and Finance, and the International Islamic Arab Bank?**

To answer the study question, it has been calculated the means and standard deviations to evaluate the customers responses on each dimension of the quality of banking services, and competitive advantage.

Table (2), indicates to the analysis results of the customers responses of the Jordan Islamic Bank for Investment and Finance, and the International Islamic Arab Bank, about the degree to evaluate the quality of banking services dimensions, and competitive advantage:

**Table 2. Means and Standard Deviations for the Study Variables**

No.	The Study Variables	Mean	Std. Deviation	Rank	Evaluation Degree
1	Tangible Materialism Aspects	3.39	1.17	1	Medium
2	Reliability	3.32	1.16	4	Medium
3	Response	3.31	1.33	5	Medium
4	Trust and safety	3.35	1.21	2	Medium
5	Attention and sympathy	3.34	1.21	3	Medium
6	Competitive Advantage	3.47	1.24	-	Medium

The results in Table (2), refers to the means of the quality of banking services dimensions which are (Tangible materialism aspects, Reliability, Response, Trust and safety, Attention and sympathy), and competitive

advantage (3.39, 3.32, 3.31, 3.35, 3.34, 3.47) respectively, and all means larger than the test criteria (3) of (5) on (Likert Scale). These results indicate to possession of the customers in Jordan Islamic Bank for Investment and Finance customers, and International Islamic Arab Bank, a clear vision about the importance of these dimensions and competitive advantage, which indicates that the evaluation was (positive), and this means that the Jordan Islamic Bank for Investment and Finance, and International Islamic Arab Bank, providing banking services with (medium) quality and competitive advantage degree (medium) from the perspective of the mentioned banks customers.

### 5.2. The Results Related to Test the Hypotheses

The researcher will test the study hypothesis and its sub-hypotheses as follows:

**H<sub>0</sub>:** There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), for the quality of banking services dimensions (Tangible materialism aspects, Reliability, Response, Trust and safety, Attention and sympathy), on improving the competitive advantage for the Islamic banks.

In order to test the validity of the study hypothesis was used the stepwise multiple linear regression analysis. As shown in table (3) below:

**Table 3. Results of the stepwise multiple linear regression analysis**

Quality of banking services dimensions	Unstandardized coefficients ( $\beta$ )	(t) value	Sig.	Standardized coefficients (Beta)
Constant ( $\beta_0$ )	- 0.007	- 0.044	0.965	-
Trust and safety	0.403	3.424	0.001	0.396
Tangible materialism aspects	0.303	2.630	0.012	0.286
Reliability	0.330	2.513	0.015	0.308
Correlation coefficient (R)	0.961	Determination coefficient ( $R^2$ )		0.924
(F) value	190.897	(F) Sig.		0.000

The results in table (3) show that:

a. Validity of multiple linear regression is proven, this is asserted by the value of calculated (F) which is (190.897) and that the statistical significance value (0.000) is less than the significance level ( $\alpha = 0.05$ ).

b. The statistical significant of regression coefficients ( $\beta$ ) for three dimensions (Trust and safety, Tangible materialism aspects, and Reliability) is proven, therefore, there is a statistically significance impact at the significance level ( $\alpha = 0.05$ ) for the above dimensions on improving the (competitive advantage) for the Islamic banks. Depend on the statistical significant values (0.001, 0.012, and 0.011) respectively, and all the values less than the significance level ( $\alpha = 0.05$ ). This means that the null hypothesis ( $H_0$ ) is **rejected**.based on the above results.

While, the dimensions (Response, Attention and sympathy) are not proven the significance, which means that the mentioned dimensions have no impact on improving the (competitive advantage) for the Islamic banks.

c. The value of Determination coefficient ( $R^2$ ) which is (0.924) shows that the internal dimensions in the regression model (Trust and safety, Tangible materialism aspects, and Reliability) interpret (92.4%) of changes that happen in the (competitive advantage), while the remaining percentage (7.6%) is attributable to another variables that have not been entered into the multiple linear regression model.

d. The values of the standardized coefficients (Beta) calculated for three dimensions (Trust and safety, Tangible materialism aspects, and Reliability) which are (0.396, 0.286, and 0.308) respectively, show that increase of the mentioned dimensions by a unity standard deviation will lead to improving the (competitive advantage) for the Islamic banks by (39.6%, 28.6%, and 30.8%) respectively.

After he had finished from test the study hypothesis, and was verified the existence of the impact of three dimensions of the quality banking services (Trust and safety, Tangible materialism aspects, and Reliability), should be test the impact of every dimension of the quality banking services on the (competitive advantage), which is as follows:

#### 5.2.1. Test the 1<sup>st</sup> sub-hypothesis

**H<sub>01</sub>:** There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), for the **tangible materialism aspects** on improving the competitive advantage for the Islamic banks.

In order to test the validity of the 1<sup>st</sup> sub-hypothesis was used the simple linear regression analysis. As shown in table (4) below:

**Table 4. Results of simple linear regression analysis to measure the impact of the tangible materialism aspects on improving the competitive advantage**

Random variable	Coefficients ( $\beta$ )	(t) value	Sig.	Beta
Constant ( $\beta_0$ )	0.137	0.668	0.507	-
Tangible materialism aspects	0.984	17.188	0.000	0.926

The results in table (4) show that:

a. The statistical significance of regression coefficient ( $\beta$ ) for the (Tangible materialism aspects) is proven, therefore, there is a statistically significant impact at the significance level ( $\alpha = 0.05$ ) for the above dimension on improving the (competitive advantage) for the Islamic banks. Depend on the statistical significant value (0.000), and it is less than the significance level ( $\alpha = 0.05$ ). This means that the null hypothesis ( $H_{01}$ ) is **rejected**.

b. The value of the standardized coefficients (Beta) calculated for the (Tangible materialism aspects) which is (0.926), show that increase of the mentioned dimension by a unity standard deviation will lead to improving the (competitive advantage) for the Islamic banks by (92.6%).

**5.2.2. Test the 2<sup>nd</sup> sub-hypothesis**

$H_{02}$ : There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), for the **reliability** on improving the competitive advantage for the Islamic banks.

In order to test the validity of the 2<sup>nd</sup> sub-hypothesis was used the simple linear regression analysis. As shown in table (5) below:

**Table 5. Results of simple linear regression analysis to measure the impact of the reliability on improving the competitive advantage**

Random variable	Coefficients ( $\beta$ )	(t) value	Sig.	Beta
Constant ( $\beta_0$ )	0.134	0.707	0.483	-
Reliability	1.004	18.642	0.000	0.936

The results in table (5) show that:

a. The statistical significance of regression coefficient ( $\beta$ ) for the (Reliability) is proven, therefore, there is a statistically significant impact at the significance level ( $\alpha = 0.05$ ) for the above dimension on improving the (competitive advantage) for the Islamic banks. Depend on the statistical significant value (0.000), and it is less than the significance level ( $\alpha = 0.05$ ). This means that the null hypothesis ( $H_{02}$ ) is **rejected**.

b. The value of the standardized coefficients (Beta) calculated for the (Reliability) which is (0.936), show that increase of the mentioned dimension by a unity standard deviation will lead to improving the (competitive advantage) for the Islamic banks by (93.6%).

**5.2.3. Test the 3<sup>rd</sup> sub-hypothesis**

$H_{03}$ : There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), for the **response** on improving the competitive advantage for the Islamic banks.

In order to test the validity of the 3<sup>rd</sup> sub-hypothesis was used the simple linear regression analysis. As shown in table (6) below:

**Table 6. Results of simple linear regression analysis to measure the impact of the response on improving the competitive advantage**

Random variable	Coefficients ( $\beta$ )	(t) value	Sig.	Beta
Constant ( $\beta_0$ )	0.631	3.345	0.002	-
Response	0.857	16.202	0.000	0.918

The results in table (6) show that:

a. The statistical significance of regression coefficient ( $\beta$ ) for the (Response) is proven, therefore, there is a statistically significant impact at the significance level ( $\alpha = 0.05$ ) for the above dimension on improving the (competitive advantage) for the Islamic banks. Depend on the statistical significant value (0.000), and it is less than the significance level ( $\alpha = 0.05$ ). This means that the null hypothesis ( $H_{03}$ ) is **rejected**.

b. The value of the standardized coefficients (Beta) calculated for the (Response) which is (0.918), show that increase of the mentioned dimension by a unity standard deviation will lead to improving the (competitive advantage) for the Islamic banks by (91.8%).

**5.2.4. Test the 4<sup>th</sup> sub-hypothesis**

$H_{04}$ : There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), for the **trust and safety** on improving the competitive advantage for the Islamic banks.



In order to test the validity of the 4<sup>th</sup> sub-hypothesis was used the simple linear regression analysis. As shown in table (7) below:

**Table 7. Results of simple linear regression analysis to measure the impact of the trust and safety on improving the competitive advantage**

Random variable	Coefficients ( $\beta$ )	(t) value	Sig.	Beta
Constant ( $\beta_0$ )	0.257	1.448	0.154	-
Trust and safety	0.958	19.202	0.000	0.940

The results in table (7) show that:

a. The statistical significance of regression coefficient ( $\beta$ ) for the (Trust and safety) is proven, therefore, there is a statistically significant impact at the significance level ( $\alpha = 0.05$ ) for the above dimension on improving the (competitive advantage) for the Islamic banks. Depend on the statistical significant value (0.000), and it is less than the significance level ( $\alpha = 0.05$ ). This means that the null hypothesis ( $H_{04}$ ) is **rejected**.

b. The value of the standardized coefficients (Beta) calculated for the (Trust and safety) which is (0.94), show that increase of the mentioned dimension by a unity standard deviation will lead to improving the (competitive advantage) for the Islamic banks by (94%).

#### 5.2.5. Test the 5<sup>th</sup> sub-hypothesis

$H_{05}$ : There is no statistically significant impact at the significance level ( $\alpha \leq 0.05$ ), for the **attention and sympathy** on improving the competitive advantage for the Islamic banks.

In order to test the validity of the 5<sup>th</sup> sub-hypothesis was used the simple linear regression analysis. As shown in table (8) below:

**Table 8. Results of simple linear regression analysis to measure the impact of the attention and sympathy on improving the competitive advantage**

Random variable	Coefficients ( $\beta$ )	(t) value	Sig.	Beta
Constant ( $\beta_0$ )	0.333	1.587	0.119	-
Attention and sympathy	0.940	15.858	0.000	0.915

The results in table (8) show that:

a. The statistical significance of regression coefficient ( $\beta$ ) for the (Attention and sympathy) is proven, therefore, there is a statistically significant impact at the significance level ( $\alpha = 0.05$ ) for the above dimension on improving the (competitive advantage) for the Islamic banks. Depend on the statistical significant value (0.000), and it is less than the significance level ( $\alpha = 0.05$ ). This means that the null hypothesis ( $H_{05}$ ) is **rejected**.

b. The value of the standardized coefficients (Beta) calculated for the (Attention and sympathy) which is (0.915), show that increase of the mentioned dimension by a unity standard deviation will lead to improving the (competitive advantage) for the Islamic banks by (91.5%).

## 6. Conclusions and Recommendations

This section deals with the most important conclusions of the study, also included on the most important recommendations of the study in light of the results, which are as follows:

### 6.1. Conclusions

The study reached to a number of conclusions, among them the following:

a. The results of the descriptive analysis that the evaluation level of the study sample in Islamic banks operating in Jordan was a (positive), and each dimension of quality of the banking services dimensions (Tangible materialism aspects, reliability, response, trust and safety, attention and sympathy), and competitive advantage. This indicates that the Jordan Islamic Bank for Investment and finance, and the International Islamic Arab Bank is providing the banking services with (medium) quality and competitive advantage with degree (medium) from the perspective of the mentioned banks customers.

b. The results of stepwise multiple linear regression analysis having the impact is statistically significant at the significance level ( $\alpha = 0.05$ ), for three dimensions of the quality of banking (Tangible materialism aspects, reliability, trust and safety), on improving the competitive advantage in the Jordan Islamic Bank for Investment and Finance, and the International Islamic Arab Bank.

c. There exist a statistically significant impact at the significance level ( $\alpha = 0.05$ ), for the tangible materialism aspects on improving the competitive advantage for Islamic banks.

- d. There exist a statistically significant impact at the significance level ( $\alpha = 0.05$ ), for the reliability on improving the competitive advantage for Islamic banks.
- e. There exist a statistically significant impact at the significance level ( $\alpha = 0.05$ ), for the response on improving the competitive advantage for Islamic banks.
- f. There exist a statistically significant impact at the significance level ( $\alpha = 0.05$ ), for the trust and safety on improving the competitive advantage for Islamic banks.
- g. There exist a statistically significant impact at the significance level ( $\alpha = 0.05$ ), for the attention and sympathy on improving the competitive advantage for Islamic banks.

## 6.2. Recommendations

In light of the results, the study recommended the following:

- a. Working to increase the attention of all employees in Islamic banks, for all dimensions of the quality of banking (Tangible materialism aspects, reliability, response, trust and safety, attention and sympathy) in the mentioned banks, due to their access to degree evaluation (medium) of the viewpoint of bank customers.
- b. The advancement of competitive advantage for the Islamic banks, and through specialized seminars and workshops held on a regular basis, which is to clarify the importance of applying the dimensions of the quality of banking services and it's role in improving the competitive advantage for the Islamic banks.
- c. The study recommends that comparative studies between the Jordanian banks (Islamic and commercial) which it applying the quality of banking services dimensions, in order to identify the differences that may appear in the bank's performance and competitive advantage, and to address the weaknesses that are believed to hinder the process of applying the quality of banking services dimensions.

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