

The Impact of Market Orientation on the Performance of Islamic Banks (Case Study: Jordanian Islamic Banks)

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Abstract

The aims of study to know the "impact of market orientation on Islamic banks" according to the perspective of the market" for customers, competitors, and jobs, and due to its importance, it focuses on addressing the problems faced by the performance of Islamic banks operating in Jordan. The study showed public and private obstacles facing the Jordanian banking performance according to the perspective of a change in the needs and desires of customers, competition situation, and coordination between the various banking functions. The study population included the employees in the Islamic banks in Jordan amounting to 710 employee, including (3) Islamic banks; the study sample consisted of 71 employees who were randomly selected. In collecting data, the researcher depended on elementary and secondary resources and supported them with related studies.

The study concluded that the banking performance faces a gap or lack of the management understanding of the rapid and changing requirements of customers (the gap of banking management) with employees and customers in addition to the fact that competitors in the banking sector have highly competitive and distinctive abilities according to their banking resources and the customers' requirements.

The study recommended that the Jordanian Islamic banks must be combining to meet the competitive situation in the banking sector, develop the methods of providing banking services and rehabilitate and prepare the employees in a way that suits the evolution of the needs, desires and preferences of customers.

Keywords: Market orientation, (customers, competitors, integration), customer satisfaction, employees satisfaction

I. Introduction

Because of the growing importance of marketing, it has entered all the public aspects-the economic, social, cultural, political, legal, technological and competitive- in addition to many private aspects; the main engine of the dynamic evolution, either directly or indirectly. The change on the attitudes of individuals, groups, organizations imposes on the marketing activities multiple challenges making the marketing process more complex under the technological acceleration, information revolution and the international, regional and local transformations.

From the above, market imposes tough conditions on marketers and producers, and the bargaining power now tend to favor the market factors, which makes the factors of production and marketing work hard in order to improve the marketing performance to achieve the needs and desires of individuals in order to reach to customers satisfaction.[13] The employees in the Islamic banks are of great importance; therefore, important that the market administration focuses on applying the participation principle, employee's rehabilitation, and increasing the degree of interaction between the administration and employees.

The importance of the study:

The importance of this study is determined according to the following aspects:

- A. Knowledge of market orientation in terms of (customers, competitors, integration and coordination between functions) and its impact on the marketing activities.
- B. Role of marketing on the processes of production, supply and demand.
- C. Extent to which the banking performance achieves customer satisfaction and loyalty.
- D. Availability of necessary resources and requirements in the Islamic banks to meet the requirements of the market.

Study problem:

The Islamic banks in Jordan face many obstacles in the light of globalization, the opening up of markets and the communications revolution, including:

- A. Rapid change in the requirements of the customers: needs, desires and preferences.
- B. The intense competition in the standardization of banking services.
- C. Customer care, listening to their complaints and solving them are low level.

D. coordination between the various functions of the marketing process was Low level.
E. Interaction between banking management and employees were low level.
F. Low degree of the efficiency of bankers and lack of understanding of the customers orientations in line with their rapid banking requirements.

Methodology of the study:

The researcher adopted the descriptive analysis approach to study the Jordanian banking sector and apply the study on the Islamic banks in Jordan. The researcher studied three Jordanian Islamic banks, namely: the Jordan Islamic Bank, the Arab Islamic Bank, and the International Islamic Bank; these banks were selected for study because of the religious orientation of the members of the Jordanian community to deal with those banks; a random regular sample of workers in banks have been selected by 10 % of the study population amounting to (710) - 71 employees.

Data collection method:

Data were collected in two ways: first was Primary data: the questionnaire is adopted and distributed to customers to find out the extent of their satisfaction about the performance of Islamic banks in Jordan and the second were Secondary data: Adoption of references, periodicals and websites. A questionnaire was sent to a number of professors and professionals for arbitration; the researcher has conducted a survey by distributing (2) questionnaires to (15) branches. Of which, 22 questionnaires were retrieved in the first time and (24) were retrieved in the second where the percentage of the questionnaire stability was (80%).

II. Theoretical framework

The marketing activities need processes of continuous development of harmony with the forces of the total and partial dynamic environment; interacting with the rapid changes of the needs, desires and preferences of customers so as to increase the ability of the organizations to achieve their general and detailed objectives.

The business organizations began planning, focusing and restructuring the marketing mix of various products in addition to the urgent need for information and provision of intellectual capital to manage the marketing process.

The marketing research, consumer behavior analysis and the analysis sales and marketing opportunities have become a necessity preceding the planning of the marketing mix processes, in addition to developing detailed plans for the marketing of products and achieving full coordination and integration among the activities [1].

The market orientation represents a main level in developing the marketing thought; the business organizations have achieved high levels of profitability since the market orientation has adopted a philosophy in marketing depending on the rearrangement of the interests and aspirations of customers at the forefront of the priority of the organization objectives [1].

The market orientation has requirements that should be provided by the business organizations in light of the developments of the market powers since the modern and accurate information has a great importance about competitors, customers, and markets. Also, the possession analysis and diagnosis of information help business organizations provide a series of values added to customers [12].

Business organizations build their strategies in market orientation according to exploiting their resources at the best limit (employees, capital, administration and suppliers etc ...) in order to build the marketing performance fitting the requirements of the market as a guide to the process of marketing. Furthermore, the organizations seek to build the culture of the organization according to the marketing trends through a long-term planning with a focus on developing the capabilities of customers in learning and interacting.

Previous studies:

Tching tching (2002) studied market orientation in the performance of small businesses, the aimed of study was the extent of relationship between the market patterns and performance, the result of study showed that the nature and size of the performance have positive rolls and there is a positive relationship between market orientation and performance in small businesses in Taiwan, Study was recommended for need to focus on various marketing, factors motivate staff and to develop small businesses to suit the requirements of the market customers and competition. Study sample represents population of small businesses.

Pell ham (2000), studied marketing performance and growth in the small U.S. industrial businesses, study aimed was the extent of the relationship between the performance of market orientation and growth in sales and marketing share, The study showed the that U.S. industry in different sectors depend on various orientations as strategic entries to the market, the value adopted by the researcher represents all the American industry and there is a positive relationship in the market orientation and the selling ability, the market performance focuses on the market factors. Also the study recommended was focusing on the study of more than an industry with attention to small companies, need to increase the efficiency of sales,

depending on the market factors of competition, focusing on achieving the goals of small businesses to increase growth in market share, profits, and sales, directing organizations to attract demands depending on the strategies of innovative pricing and focusing on innovation as a strategic entry for increasing the competitive and market abilities.

Nolan (2002), studied the strategies of customers orientation by the innovative market, the study aimed to find out the role of product development in customers retention and role of market communication, the study showed the importance of information on customers trends and understanding the customers requirements. The study recommended to focusing on the development of marketing strategies to sustain the relationship with customers and continuous innovation helps to provide products that meet the needs and desires of customers.

Li WaKalntson (1998) was study the role of market factors on distinguishing products. The study aimed to find additional features in the new products and the factors affecting customers, competitors and management. The study showed that more the study of the market (customers and competitors) is analytical and dependent on experience and knowledge, the more the organization is able to reach to a competitive advantage through its products. The study recommended was to focusing on the organization's performance on an ongoing basis and need to stimulate the perception of customers.

Hum berg Hauler (2002) studied the market orientation and the customer's satisfaction, the study aimed to find the extent of the relationship between the characteristics of the population and the performance of the retailer and extent of the relationship between the characteristics of the population and the geographical diversity. The study showed that market orientation and the level of performance vary from one geographical area to another and the market orientation or the level of performance varies according to varying demographics. The study recommended the retail markets should develop their strategies according to the orientations of individuals and increasing the focus on adopting the market factors as an indication for increasing the efficiency of the retail markets.

Kim and Mupaig, (1999), study the innovation of customers orientation, study aimed to know customers' perceptions towards innovations of their needs and wishes. The study was showed the organization can achieve growth whenever the market expands in accordance with the values of the organization that customers are looking for and directing customers focuses on the capabilities of the organization in the development and continuous innovation.

Market orientation:

1. Customers orientation:

Customers are considered the first chance for the market orientation in the Islamic banks. The philosophy of the modern market is based on elements such as: (customers, research and studies, the social and ethical responsibility and profitability) [2]; therefore the administration orientation towards customers is a necessity for updating and developing policies towards customers:

A .the administration orientations: When considering the overall objectives of the organization, the organization works on designing the goals according to the resources and capabilities available in the organization and applying that depending on its long- or short-term policies in addition to the administration reliability on customers as a main pivot for the market performance in the Islamic banks in Jordan. The administration and the employees should understand the needs, desires and preferences of customers and such movements might contribute to increase the chances of the commitment and loyalty of customers towards the banking products and increase the degree of satisfaction with the banking administration, employees and banking service [7].

B . Customers requirements : it is evident that there is a development and change in the customers' needs in addition to a change in the marketing environment of the banks in a dynamic way; therefore ,the administration in the Islamic banks in Jordan should adopt dynamic policies that are able to meet the needs, desires and preferences of customers according to their constant change; accordingly, the planning of the policies of evaluating the Islamic banking performance must interact with the customers orientation and development whenever necessary. Instead, the Jordanian Islamic banking departments have golden opportunities to achieve customers' satisfaction whenever they are directed towards innovation, creativity and banking entrepreneurship. The focus of the market orientation is the customers; therefore, presenting the actual banking service according to the customers' expectations or greater than them would lead to the best degrees of satisfaction through achieving values expected from them. Accordingly, administrations should develop the level of awareness of customers for the values of banking, develop the interests of administrations for the customers service and involvement in training, and make decisions and rewards in order to develop the loyalty of customers in general as well as their loyalty towards the utilitarian values of banking service which enhances their purchasing behavior for this service [2].

2. Competitors orientation:

Competitors form the second chance for developing the performance of the Jordanian Islamic banks if the evolution of the needs, desires and preferences of customers imposes new restrictions on banks towards market orientation through competitors, the competitive market and the development of additional benefits that can be achieved by the customers under competitive advantages. The Jordanian Islamic banks heads to work in the competitive market with other banks in Jordan; therefore, they should study and analyze the competitiveness of banks in Jordan (Islamic banks and commercial banks). The analyzing processes of competitors will determine the strengths and weaknesses in the space of competitors where the Islamic banks are able to determine their objectives accurately at the strategic level, and the level of executive businesses, which facilitates the competitiveness of Islamic banks to keep up with the performance of Islamic banks or commercial ones. The Islamic banks in Jordan should adopt their market orientation on the competitive advantage in light of the restructuring of utilitarian and additional values made by the competitors on the one hand , and the needs, wishes and preferences of customers on the other; the more the departments of Islamic banks are proactive and leading in meeting the relative and comprehensive attribute in the banking performance, the more they are able to achieve a greater level of satisfaction for their current and future customers. Banking organizations should focus on the continued development of competitive advantage, the structural characteristics such as the market forces, the increasing size and the large formations of market products, the development of the competitiveness of the relevant abilities related to the competitive attribute and finally the collection of data on customers, competitors and suppliers. The market orientation (competitors) aims to achieve profits and the stability and survival of banks, unites their efforts towards individuals and organizations and takes the necessary decisions for the development of banking performance (18). Islamic banking organizations in Jordan seek to provide expected values depending on focusing on competitors and their abilities, the extent of the competitors' use of customers and information about competitors as a source for the development of competitive advantage.

3. Orientation of coordination between functions:

Information: The Islamic banking organizations in Jordan need information about the market, customers, competitors, and various functions. The more the organizations are able to provide information bases, the more they are able to study and analyze the level of the different markets in order to make marketing

decisions; the banking activity needs accurate, modern , and deep information especially that their decisions mean bearing high financial costs if they are irrational.

Employees: The employees are the shining face of the banking organizations; they interact inside them through different functions such as production, market, financial sales, and human resources. In order to have a successful banking performance, employees should interact with customers via the service, the spoken word, and the public relations. Qualified employees can achieve the goals of Islamic banks and meet the requirements of customers according to their attitudes in order to understand such requirements, listen to the customers 'complaints and reach to the level of participation in solving their problems

Functional integration: The Jordanian Islamic banking organizations seek to imply their detailed objectives within the objectives of their operational divisions in order to meet the different marketing challenges and objectives in order to reach to integration between the functions of production, sales, financial market, and human resources. The banking organizations need integration career in the levels of strategic management for the organization as a whole in addition to an identification of practical and realistic policies at the business level and the operational level.

Banking performance: The Islamic banking organizations in Jordan seek to improve their marketing performance to keep abreast of the developments in the banking market; the market activity by the market orientation included in the pillars of customers, competitors, and functional integration can be achieved, but according to conditions (Understanding customers and their needs and desires and the changes in that, determining and analyzing the capabilities of competitors, and exploiting the strengths and opportunities available. pursuing towards functional, integration and coordination between different functions, heading towards providing additional values to customers, and the continuous development of relative advantage and achieving customers' satisfaction according to their different requirements and needs).

• The study population and sample:

The study population consists of all the employees in the Islamic banks operating in Jordan by 710 male and female employees. Given the difficulty of the inclusion of all workers in the

Islamic banks operating in Jordan, for reasons of lack of time, the researcher selected a sample of the study population by(10%) by using the random stratified sample method where the study sample consisted of (76) employees. After determining the study sample, (76) questionnaires were distributed on the study members. Questionnaires were retrieved by (100%) and three questionnaires were excluded for non- suitability for practical purposes of statistical analysis due to lack of information contained therein. The following is a detailed description of the personal characteristics of the study sample, as shown in table (1).

Model of the study:

The study aimed to identify the impact of the performance on Islamic banks in Jordan. To achieve this, a model was designed for the study that is described in Figure 1 below in order to clarify the relationship between the independent study variables represented in the (dimensions of market orientation), and the dependent variable represented in the (performance of Islamic banks)

•Study hypotheses:

The study hypotheses have been formulated based on the problem and variables of the study; the hypotheses were the following:

The first major hypothesis:

H01: there is no statistically significant relationship at ($\alpha \leq 0.05$) between the market orientation and its dimensions (customers' orientation, competitors' orientation and integration and coordination between functions) and the performance of Islamic banks in Jordan.

H11: there is no a statistically significant relationship at ($\alpha \leq 0.05$) between the market orientation (customers' orientation,) and the performance of Islamic banks in Jordan.

H12: there is no a statistically significant relationship at ($\alpha \leq 0.05$) between the market orientation (competitors' orientation) and performance of Islamic banks in Jordan.

H 13: there is no a statistically significant relationship at ($\alpha \leq 0.05$) between the market orientation (integration and coordination between functions) and performance of Islamic banks in Jordan.

• Variables of the study:

1 – Independent variables:

The independent variables in this study are the dimensions of market orientation (customer's, orientation, competitor's orientation, and the integration and coordination between functions).

2 – Dependent variable:

The dependent variable is represented by the (performance of Islamic banks).

• The study tool:

To answer the questions of the study and test its hypotheses, the researcher prepared a questionnaire for this purpose depending on the literature on market and functionality, as well as previous studies relevant to the subject of this study. The first part of the questionnaire contained personal variables, while the second part dealt with the independent variables represented by the (dimensions of market orientation), while the third part addressed the dependent variable (the performance of Islamic banks). The items of the tool as a whole aimed to evaluate the study sample and their estimation for the market orientation and its impact on the performance of Islamic banks operating in Jordan.

1. the Validity, reliabilty of the study tool:

To verify the Face, internal content of the questionnaire, it was displayed in its initial picture to (5) arbitrators specialized in the field of market and business management in the Jordanian universities, in order to figure out their views, comments and estimation of the suitability of the items of the questionnaire to the study. In the light of the observations and suggestions of arbitrators, the wording of some items has been modified, some items were deleted because of its repetition and unsuitability with the themes addressed by the study tool, and some items were added and linked with similar items making the study tool own a high validity to be applied on the members of the sample study. after confirming the validity of the study tool and applying it on the study sample consisting of (59) male and female employees and for purposes of verifying the internal consistency of the items of the questionnaire related to the study variables, Cranach's alpha coefficient was applied; Table (2) illustrates. data that obtained through the application of the study tool on the sample consisting of 9 male and female employees, is considered valid for the purposes of statistical analysis and for calculating the statistical indicators for the purpose of answering the questions of the study and testing its hypotheses .

Statistical treatment:

After the researcher had finished from collecting data on the variables of the study, some statistical indicators and methods in the Statistical Package for Social Sciences (SPSS) were used so as to process the data that have been obtained through the field study. In particular, the following statistical methods have been used: 1 –the arithmetic mean: it is used to identify the level

of the severity of the answer on the items of the questionnaire.

2 –The standard deviation: it is used to determine the dispersion of the study sample answers about the values of the arithmetic means.

3 - Cronbach's alpha coefficient: it is used to test the internal consistency of the items of the study tool used to measure the variables included in the study.

4 - One-Sample Kolmogorov-Smirnov test: This test is used to verify that the study tool data are subject to the normal distribution or not.

5 - Variance Inflation Factors (VIF) test: This test is used to check for the existence of Multi –co linearity between the independent variables.

6- Spearman Correlation coefficient: This test is used to measure the relationship between the independent variables and the dependent variable.

7 –The Stepwise multiple linear regression analysis: it is used to measure the impact of the independent variables (the market orientation dimensions) on the dependent variable (the performance of Islamic banks in Jordan).

8 - t-Test: it used to test the hypotheses of the study to ensure the statistical significance of the results that have been reached through the application of multiple linear regression analysis.

Data analysis and discussion of the results:

The results of the statistical analysis obtained through using the SPSS will be presented.

Before answering the questions of the study and testing its hypotheses, it is important to check the distribution of the data of the study and whether the data are subject to the normal distribution or not? This is done through testing the following statistical hypothesis:

H0: the study data are subject to the normal distribution

H1: the study data are not subject to the normal distribution

To test the previous statistical hypothesis, One-Sample Kolmogorov – Smirnov Test was used, as illustrated in table (3). The value of z is 1.96 at ($\alpha = 0.05$) and the 2-tailed test.

It is evident from the final results in table (3) that all the calculated values of (Z) for the study variables are represented by (customers orientation, competitors orientation, and the integration and coordination between functions) is less than the tabulated value of (Z) amounting to (1.96).furthermore, all the statistical values are greater than the level of significance ($\alpha = 0.05$). in the light of the previous results, the null hypothesisH0 stating that the data of the study questionnaire are subject to normal distribution will be accepted. This means that the data of the study questionnaire are subject to the

normal distribution making it ready for all descriptive statistics and analytical statistical tests.

In table (4) on the other hand, as a researcher, I have favored to verify the absence of the multiple linear overlap between the independent variables (the dimensions of market orientation) before testing the study hypotheses.

The results presented in Table (4) showed a lack of Multi co linearity between (the dimensions of market orientation represented in (customers orientation, competitors orientation, and the integration and coordination between functions). what confirms this is the values of (VIF) calculated for the dimensions listed; all these values are less than the critical value of the test amounting to (5). After it was ascertained that the distribution of the data of the study tool is subject to the normal distribution and the fact that there is no Multi co linearity between (the dimensions of market orientation, it has become possible to perform all the descriptive statistics (arithmetic means, and standard deviations), as well as testing the study hypotheses . In order to facilitate displaying the results of the study, it has been classified according to the sequence of questions and assumptions contained therein.

First: the results related to answering the first question:

What is the level of the study sample evaluation of the market orientation and its three dimensions?

In Table (5) shown the first question of the study, the arithmetic means, standard deviations and the relative importance of the level of the study sample evaluation of the market orientation and its three dimensions were calculated in order to determine the level of severity of each answer on the dimensions items as well as the standard deviations for the purpose of diagnosing the extent of the dispersion of answers from their arithmetic means. This is

• The degree of approval of the study sample has been determined at three levels (low, medium, and large), which was calculated according to the following relationship:

Approval degree= (the highest value of the scale –the lowest value of the scale) / number of levels= (1 - 5) / 3= 1.33

Thus, the degree of approval of the study sample on the items was as follows:

Low degree = 1 + 1.33 = 2.33, Medium degree = 2.34 + 1.33 = 3.67, Large degree = 3.68 + 1.33 = 5

It is evident from the results contained in table (5) that the evaluation of the study sample of the market orientation and dimensions, and for each item of the dimension, was as follows:

1. Customers orientation:

Table (5) shows the evaluation of the members of the study sample for this dimension was (moderate), where the items of this dimension had degrees ranging between (large and medium), with arithmetic averages ranging between (3.05-3.86). Item (2), which states "Islamic banks understand the needs, desires and preferences of customers", came in the first rank with a mean of (3.86) and a standard deviation of (0.94). While item (7) stating "Islamic banks operate to receive the complaints of customers and try to solve them" came in the seventh and final rank with a mean of (3.05) and a standard deviation of 0.97.

2 – Competitors orientation:

Table (5) shows that the evaluation of the study sample for this dimension was (moderate), where the items of this dimension ranged between (large and medium) with arithmetic means ranging between (3.05-3.68). Item (10) stating that "Islamic banks use modern technology to achieve a comparative advantage" came in the first rank with a mean of (3.68) and a standard deviation of (0.71), while item (11) which stated "Islamic banks allocate a budget for promotion in line with the competitive situation" came in the sixth and final rank with a mean of (3.05) and a standard deviation of 0.97.

3 - Integration and coordination between functions:

In table (5) was show that the evaluation of the study sample for this dimension was (moderate), where the items of this dimension were (medium) with arithmetic averages ranging between (3.32-3.58). item (17) stating that "Islamic banks cope with the technological development in the banking business in accordance with the latest methods" came in the first rank with a mean of (3.58) and a standard deviation of (0.50), while item (15) stating that "Islamic banks use qualified personnel to perform marketing functions" came in the fourth and final rank with a mean of (3.32) and a standard deviation of 0.78.

Second: The results related to answering the second question:

What is the level of the study sample evaluation of the performance of Islamic banks in Jordan?

To answer the second question of the study, the arithmetic means, standard deviations and order were calculated for the level of estimating the study sample for each item of the variable of the performance of Islamic banks in Jordan in order to determine the level of severity of the answer on each item in addition to the standard deviations for the purpose of diagnosing the extent of answers'

separation from their arithmetic means. This is shown in table (6).

Table (6)shows that the degree of evaluating this variable by the study sample was (medium), where the items of this variable had degrees ranging between (large and medium) with arithmetic means ranging between (3.49-3.75); item (2) stating that "Islamic banks seek to achieve the satisfaction and motivation of employees" came in the first rank with a mean of (3.75) and a standard deviation of (0.63) , while item (1) stating that "Islamic banks maintain their existing customers and achieve their satisfaction" came in the fifth and final rank with a mean of (3.49) and a standard deviation of 0.82 .

III. Results of testing the study hypotheses

The following is a detailed explanation of the results of testing.

1. Testing the first major hypothesis:

H01: there is no statistically significant relationship at ($\alpha \leq 0.05$) between the market orientation and its dimensions (customers' orientation, competitor's orientation and integration and coordination between functions) and the performance of Islamic banks in Jordan.

To test the validity of the second major hypothesis, the simple correlation coefficient (Spearman) was used in order to measure the relationship between market orientation and each of its dimensions and the performance of Islamic banks in Jordan, as shown in table (7).

The results presented in Table (7) indicated the presence of positive relationships that are statistically significant at the level of significance ($\alpha = 0.05$) between the market orientation and its dimensions and the performance of Islamic banks in Jordan. What supports this is the (P- value) which equals (0.000) for all the dimensions, which is less than the level of significance ($\alpha = 0.05$). In the light of the previous results, (H01) is rejected and (H11) is accepted. the last hypothesis states that (there is a statistically significant relationship at the level of significance ($\alpha \leq 0.05$) between market orientation and its dimensions (customers' orientation, competitors' orientation , and the integration and coordination between functions) and the performance of Islamic banks in Jordan).

2. Testing the hypothesis:

H11: there is no a statistically significant relationship at ($\alpha \leq 0.05$) between the market orientation (customers' orientation,) and the performance of Islamic banks in Jordan.

H12: there is no a statistically significant relationship at ($\alpha \leq 0.05$) between the market orientation

(competitors' orientation) and performance of Islamic banks in Jordan.

H 13: there is no a statistically significant relationship at ($\alpha \leq 0.05$) between the market orientation (integration and coordination between functions) and performance of Islamic banks in Jordan.

In table (8) test the validity of the second major hypothesis, the Stepwise Multiple Linear Regression Analysis was used in order to measure the impact of (the dimensions of market orientation on the performance of Islamic banks in Jordan. Before testing, the validity of the model should be checked as follows.

Table (8) shows that the value of (F) equaling (30.036) is greater than the value of the tabulated (F) equaling (2.80) , as well as the value of statistical significance amounting (0.000), which is less than the level of significance ($\alpha = 0.05$); therefore, the null hypothesis (H0)is rejected, which indicates to the validity of the model ; accordingly, there is an impact of the market orientation and its dimensions on the performance of Islamic banks in Jordan.

Based on the above, it has become possible to use the Stepwise Multiple Linear Regression Analysis in order to measure the impact of (the dimensions of market orientation on the performance of Islamic banks in Jordan, as shown in table (9).

Through the results of table (9), it is evident that:

A - Regression coefficients (β) of the dimensions of the market orientation are consistent; therefore, there is a statistically significant impact at the level of significance ($\alpha = 0.05$) for the dimensions listed on the performance of Islamic banks in Jordan. What supports this is the values of the (t) calculated for all the dimensions. Furthermore, the (P-value) for all the dimensions is less than the level of significance ($\alpha = 0.05$. in the light of previous results, the null hypothesis (H02) will be rejected and the alternative hypothesis (H12) will be accepted. The last suggests that (there is a statistically significant impact at the level of significance ($\alpha \leq 0.05$) for the dimensions of market orientation on the performance of Islamic banks in Jordan).

B - The value of multiple correlation coefficient (R) is (0.788) that there is a strong and positive relationship that is statistically significant at the level of ($\alpha = 0.05$) between the dimensions of market orientation and the performance of Islamic banks. This means that there is an increased interest in the dimensions as a whole, which will lead to improving the performance of Islamic banks in Jordan.

C - The value of the coefficient of explanation (R²) equaling (0.621) indicates that the dimensions of the market orientation explain the rate of (62.1 %) of the changes in the performance of Islamic banks in Jordan, while the remaining percent (37.9 %) is

attributed to other variables not listed in the multiple linear regression model.

D -The standard transactions value (BETA) calculated for the dimensions of market orientation represented in (customers' orientation, competitors' orientation, and the integration and coordination between functions) equal (0.257, 0.448, 0.252) respectively. The increased interest in each dimension by one standard deviation, will improve the efficiency of the performance of Islamic banks in Jordan by the following rates (25.7%, 44.8 %, 25.2%), respectively.

Finally, I have preferred ordering the dimensions of the market orientation affecting the performance of Islamic banks in Jordan according to the power of influence in order to figure out any dimension that is more influential on the performance of Islamic banks in Jordan depending on the standard transaction (BETA) that is calculated for the dimensions, as shown in table (10).

IV. Results

The study showed the following results:

- 1: there are rapid changes in the needs, wishes and preferences of customers.
- 2: sever competition increases under patterning banking services.
- 3: a low level of customer care by the employees in the Islamic banks.
- 4: a low level of coordination between the various functions of the market process
- 5: the low degree of interaction between the banking management and employees.
- 6: the limited efficiency and experience by the bankers.
- 7: The competitor's market orientation had the largest impact on directing the Islamic banking market.
- 8: the integration and coordination of functions dimension has a moderate power of effect.
- 9: generally, the banking performance is affected with the various variables of the study moderately.

V. Recommendations

The study recommended the following:

- 1: Focusing on understanding the changes in the needs and desires of customers.
- 2: diversifying the banking services to meet competition.
- 3: increasing the attention to the complaints of customers and solving them.
- 4: increasing the level of coordination between the various market functions in the Islamic banks.
- 5: rehabilitating, training and raising the efficiency of workers.

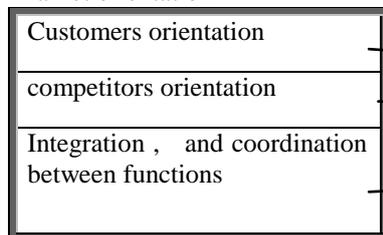
- 6: Exploiting the competitive abilities of the Islamic banks and targeting new market segments.
- 7: Working on the fact that Islamic banks hold their moral and social responsibilities in line with the customers' requirements.

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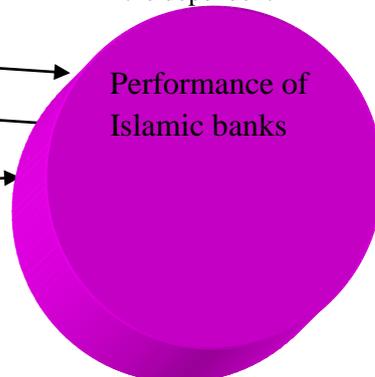
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Independent variables.

Market orientation



the dependent



Source: propose by the researcher.

(Figure 1): the hypothetical study model.

Table (1): A Description of the personal characteristics of the study sample

T	variables such		repetition	percentage	Total
1	Gender	Male	56	74.6%	76
		Female	20	25.4%	
2	Age	less than 29	20	28.6%	
		39 – 29	25	32.4%	
		49 – 39	23	30.9%	
		49 years and over	8	7.1%	
3	Monthly income	less than 500 dinars	45	64.4%	
		1000 - 500	19	23.7%	
		1500 -1000	12	11.9%	

Table (2) Results of (Cronbach's alpha) coefficients to check the internal consistency of the items questionnaire

Variables of the study	the number of items	Cronbach's alpha) coefficient	Consistency percent
Customers orientation	7	0.861	%86.1
competitors orientation	6	0.731	%73.1
Integration and coordination between functions	4	0.630	%63.0
Performance of Islamic banks	5	0.724	%72.4
Tool as a whole	22	0.897	%89.7

(Table 3) Kolmogorov-Simrnov test results (one-sample k-s test)

study variables	Number of views (N)	The calculated value of (Z)	the statistical significance (Sig)
Customers' orientation	59	1.138	0.150
Competitors' orientation	59	1.247	0.089
Integration and coordination between functions	59	1.206	0.109
Performance of Islamic banks	59	1.347	0.053

Table (4) (VIF) Test results to check the phenomenon of multiple linear overlap among the dimensions of market orientation

Independent variables	VIF	Tolerance
Customers' orientation	1.699	0.588
Competitors' Orientation	1.489	0.671
Integration and coordination between functions	1.439	0.695

Table (5) the arithmetic means, standard deviations and ordering of the items of the market orientation variable.

Item No.	Items	the arithmetic means	standard deviations	Items order	Degree of acceptance
A. Costumers' Orientation:		-	-	-	-
1	Islamic banks focus on the client as a main pivot in the marketing process.	3.68	0.82	2	large
2	Islamic banks understand the needs, desires and preferences of customers.	3.86	0.94	1	large
3	Islamic banks maintain their existing customers.	3.63	1.05	3	large
4	Islamic banks try to attract new customers.	3.53	0.80	4	Medium
5	Islamic banks offer financial and credit facilities better than the commercial banks.	3.29	1.15	5	Medium

6	Islamic banks promote selling skills for their employees.	3.20	0.91	6	Medium
7	Islamic banks operate to receive the complaints of customers and try to solve them.	3.05	0.97	7	Medium
-	the general arithmetic means and standard deviations	3.46	0.70	-	Medium
B. Competitors' orientation:		-	-	-	-
8	Islamic banks offer distinctive and varied banking services compared to competitors in the banking sector.	3.59	0.93	2	Medium
9	Islamic banks focus on the research, development and the study of the competitive banking market.	3.54	0.68	3	Medium
10	Islamic banks use modern technology to achieve a comparative advantage.	3.68	0.71	1	large
11	Islamic banks allocate a budget for promotion in line with the competitive situation	3.05	0.97	6	Medium
12	Islamic banks distribute their banking services to customers in line with the competitive situation.	3.14	1.04	4	Medium
13	Islamic banks seek to choose employees by efficiency	3.07	0.96	5	Medium
-	the general arithmetic means and standard deviations	3.34	0.68	-	Medium
C . Integration and coordination of functions:		-	-	-	-
14	Islamic banks work on coordination between the marketing functions (production, pricing, distribution, and promotion).	3.50	0.68	3	Medium
15	Islamic banks use qualified personnel to perform market functions.	3.32	0.78	4	Medium
16	Islamic banks conduct marketing functions in a modern way.	3.51	0.60	2	Medium
17	Islamic banks cope with the technological development in the banking business in accordance with the latest methods.	3.58	0.50	1	Medium
-	the general arithmetic means and standard deviations	3.48	0.34	-	Medium

(Table 6) The arithmetic means and standard deviations for the items of the variable of the Islamic banks performance (n=40)

Item No.	Items	the arithmetic means	standard deviations	Items order	Degree of acceptance
1	Islamic banks maintain their existing customers and achieve their satisfaction	3.49	0.82	5	Medium
2	Islamic banks seek to achieve the satisfaction and motivation of employees.	3.75	0.63	1	large
3	Islamic banks are interested in the ethical and social responsibility	3.58	0.86	4	Medium

4	Islamic banks seek to form a positive mental image in the minds of customers	3.73	0.83	2	large
5	Islamic banks work on assessing their performance and evaluating it constantly	3.72	1.090	3	large
6	the general arithmetic means and standard deviations	3.65	0.59	-	Medium

Table 7: Results of the simple correlation coefficients (Spearman)

variables	Market orientation	customers orientation	competitors orientation	integration and coordination functions between
Performance of Islamic banks	0.73*	0.60*	0.67*	0.63*
Statistical significance P-value	0.000	0.000	0.000	0.000

Table 8: Analysis of variance table to test the validity of the multiple linear regression models

Change source (contrast)	sum of the squares	degrees of freedom	average value of the squares	the Calculated value of (F)	the statistical significance (Sig)
Regression	12.614	16	4.205	30.036 *	0.000
Residual (error)	7.692	60	0.140		
Total	20.306	76	-		

*Value of F by the freedom of the nominator and the denominator (55.3) at the level of $(\alpha = 0.05) = 2.80$

Table (9): results of the multiple linear regression analysis phase (Stepwise)

Independent variables	Regression coefficient (β)	Calculated value (t)	statistical significance P-value	standard transactions BETA
Constant(β_0)	0.145 -	0.280 -	0.780	-
Customers' orientation	0.216	2.374	0.021	0.257
Competitors' Orientation	0.454	4.421	0.000	0.448
Integration and coordination between functions	0.440	2.533	0.014	0.252
Multiple correlation coefficient (R)	0.788			
Interpretation coefficient (R2)	0.621			

Table (10) Sorting the dimensions of market orientation in a descending order according to the power of influence

Dimensions Sequence	Dimensions	Standard coefficient (BETA)	order of strength impact
2	competitors orientation	0.448	first
1	customers orientation	0.257	second
3	integration and coordination between functions	0.252	third