Determinants of Financial Performance of Jordanian banking Sector

Dr. Munther Al-Nimer

**Introduction**

In the current study will identify the effect of no.of transaction, firm size, market share and debt on equity in Return On Assets , Return On Equity , Return On Investment and Earning Per Share .

Performance is a difficult concept, in terms of both definition and measurement. It has been defined as the result of activity, and the appropriate measure selected to assess corporate performance is considered to depend on the type of organization to be evaluated, and the objectives to be achieved through that evaluation. Researchers in the strategic management field have offered a variety of models for analyzing financial performance. However, little consensus has emerged on what constitutes a valid set of performance criteria. For instance, researchers have suggested that studies on financial performance should include multiple criteria analysis. This multidimensional view of performance implies that different models or patterns of relationship between corporate performance and its determinants will emerge to demonstrate the various sets of relationships between dependent and independent variables in the estimated odels (Ostroff and Schmidt, 1993) .

Performance is the function of the ability of an organization to gain and manage the resources in several different ways to develop competitive advantage,There are two kinds of performance , financial performance and non-financial performance.the performance is a difficult concept, in terms of both definition and measurement. It has been defined as the result of activity, and the appropriate measure selected to assess corporate performance is considered to depend on the type of organization to be evaluated, and the objectives to be achieved through that evaluation. the

studies on financial performance should include multiple criteria analysis. The relationship between corporate performance and its determinants will emerge to demonstrate the various sets of relationships between dependent and independent variables. (Walker, 2001)

High performance reflects management effectiveness and efficiency in making use of company’s resources and this in turn contributes to the country’s economy at large.

In Jordan there was a good performance of many sectors such as banking sector, This study tries to investigate the effect of specific factor in jordanian bank financial performance. The study's main objective then could be summarized in identifying the factors affecting Jordanian banks' financial performance.

This research is in banking sector on Jordan.

**Therefore, this study seeks to answer the following questions:**

1- Are the factors (no.of transaction, firm size, market share, debt on equity) affecting on ROA

2- Are the factors (no.of transaction, firm size, market share, debt on equity) affecting on ROI

3- Are the factors (no.of transaction, firm size, market share, debt on equity) affecting on ROE

4- Are the factors (no.of transaction, firm size, market share, debt on equity) affecting on EPS

**The Importance of the Study**

The study importance emerges from the fact that banking sector plays a significant role in enhancing the economy, the current study will empirically implement a comprehensive analytical framework of financial performance in the case of Jordanian bank sector.

The current study will also provide a comprehensive framework and literature about of banks financial performance, and the factors influencing it in the case of Jordanian banks.

and it will help in adding value to this subject.

**Aim and Objectives**

1- The main aim of this study is to investigate the factors that mostly affect financial performance of Jordanian banks. This aim will be achieved by the following objectives:

2- To identify the effect of no.of transaction, firm size, market share and debt on equity in probability of Jordanian banking sector.

3- To provide some conclusions and recommendations to deal with variables that affect financial performance In order to enhance the bank financial performance.

**Research method**

in this research we analysis and extract some ratio of 14 Jordanian banks from (2015) to (2019) to study the effect of these ratio in financial performance of the banks

the factor we extract in this research :

**Independent factor :**

1- no. of transaction

2- firm size (logarithm of total assets )

3- market share ( net income / total net income )

4- debt to equity ( total liabilities / total share holder equity )

**Dependent factor :**

1- return of assets ( profit before tax / average assets )

2- return n investment ( income of current year /(assets at the beginning of year + assets at the end of year - net income of current year ) / 2

3- return on equity ( Net Income Pertains to Shareholders\*100/Total Shareholders Equity )

4- earning per share (Net Income Pertains to Shareholders / No. of Subscribed Shares )

Analysis

| **Descriptive Statistics** | | | |
| --- | --- | --- | --- |
|  | Mean | Std. Deviation | N |
| return of assets | 1.5200483462632 | .69036082573297 | 126 |
| no. of transaction | 9081.13 | 9748.164 | 126 |
| firm size | 20.95816400233266 | .759832966765918 | 126 |
| market share | .04024080721075 | .035373364471388 | 126 |
| debt to equity | 6.82538393161779 | 2.268265228708558 | 126 |

| **Correlations** | | | | |
| --- | --- | --- | --- | --- |
|  | | return of assets | no. of transaction | firm size |
| Pearson Correlation | return of assets | 1.000 | .267 | -.118- |
| no. of transaction | .267 | 1.000 | .101 |
| firm size | -.118- | .101 | 1.000 |
| market share | .341 | .097 | .759 |
| debt to equity | -.118- | .421 | .250 |
| Sig. (1-tailed) | return of assets | . | .001 | .093 |
| no. of transaction | .001 | . | .130 |
| firm size | .093 | .130 | . |
| market share | .000 | .140 | .000 |
| debt to equity | .095 | .000 | .002 |
| N | return of assets | 126 | 126 | 126 |
| no. of transaction | 126 | 126 | 126 |
| firm size | 126 | 126 | 126 |
| market share | 126 | 126 | 126 |
| debt to equity | 126 | 126 | 126 |

| **Correlations** | | | |
| --- | --- | --- | --- |
|  | | market share | debt to equity |
| Pearson Correlation | return of assets | .341 | -.118- |
| no. of transaction | .097 | .421 |
| firm size | .759 | .250 |
| market share | 1.000 | .054 |
| debt to equity | .054 | 1.000 |
| Sig. (1-tailed) | return of assets | .000 | .095 |
| no. of transaction | .140 | .000 |
| firm size | .000 | .002 |
| market share | . | .273 |
| debt to equity | .273 | . |
| N | return of assets | 126 | 126 |
| no. of transaction | 126 | 126 |
| firm size | 126 | 126 |
| market share | 126 | 126 |
| debt to equity | 126 | 126 |

| **Variables Entered/Removedb** | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Model | | | Variables Entered | Variables Removed | | Method | |
| dimension0 | 1 | | debt to equity, market share, no. of transaction, firm sizea | . | | Enter | |
| a. All requested variables entered. | | | | | | | |
| b. Dependent Variable: return of assets | | | | | | | |
| **Coefficientsa** | | | | | | | | | | | |
| Model | | | | | Unstandardized Coefficients | | | | Standardized Coefficients | t | Sig. |
| B | | Std. Error | | Beta |
| 1 | | (Constant) | | | 17.289 | | 1.849 | |  | 9.350 | .000 |
| no. of transaction | | | 2.067E-5 | | .000 | | .292 | 4.177 | .000 |
| firm size | | | -.790- | | .093 | | -.870- | -8.495- | .000 |
| market share | | | 19.062 | | 1.945 | | .977 | 9.803 | .000 |
| debt to equity | | | -.023- | | .022 | | -.076- | -1.028- | .306 |
| a. Dependent Variable: return of assets | | | | | | | | | | | |

| **Coefficientsa** | | | | |
| --- | --- | --- | --- | --- |
| Model | | Correlations | | |
| Zero-order | Partial | Part |
| 1 | (Constant) |  |  |  |
| no. of transaction | .267 | .355 | .262 |
| firm size | -.118- | -.611- | -.534- |
| market share | .341 | .665 | .616 |
| debt to equity | -.118- | -.093- | -.065- |
| a. Dependent Variable: return of assets | | | | |

| **Descriptive Statistics** | | | |
| --- | --- | --- | --- |
|  | Mean | Std. Deviation | N |
| return on investment | .01219817252551 | .002627619378632 | 125 |
| no. of transaction | 8941.18 | 9659.451 | 125 |
| firm size | 20.96475513539651 | .759265558598466 | 125 |
| market share | .04013806494784 | .035496831717425 | 125 |
| debt to equity | 6.82379488651729 | 2.277322677682905 | 125 |

| **Correlations** | | | | |
| --- | --- | --- | --- | --- |
|  | | return on investment | no. of transaction | firm size |
| Pearson Correlation | return on investment | 1.000 | .319 | -.110- |
| no. of transaction | .319 | 1.000 | .119 |
| firm size | -.110- | .119 | 1.000 |
| market share | .210 | .093 | .766 |
| debt to equity | -.012- | .425 | .252 |
| Sig. (1-tailed) | return on investment | . | .000 | .111 |
| no. of transaction | .000 | . | .094 |
| firm size | .111 | .094 | . |
| market share | .009 | .151 | .000 |
| debt to equity | .448 | .000 | .002 |
| N | return on investment | 125 | 125 | 125 |
| no. of transaction | 125 | 125 | 125 |
| firm size | 125 | 125 | 125 |
| market share | 125 | 125 | 125 |
| debt to equity | 125 | 125 | 125 |

| **Correlations** | | | |
| --- | --- | --- | --- |
|  | | market share | debt to equity |
| Pearson Correlation | return on investment | .210 | -.012- |
| no. of transaction | .093 | .425 |
| firm size | .766 | .252 |
| market share | 1.000 | .054 |
| debt to equity | .054 | 1.000 |
| Sig. (1-tailed) | return on investment | .009 | .448 |
| no. of transaction | .151 | .000 |
| firm size | .000 | .002 |
| market share | . | .274 |
| debt to equity | .274 | . |
| N | return on investment | 125 | 125 |
| no. of transaction | 125 | 125 |
| firm size | 125 | 125 |
| market share | 125 | 125 |
| debt to equity | 125 | 125 |

| **Variables Entered/Removedb** | | | | |
| --- | --- | --- | --- | --- |
| Model | | Variables Entered | Variables Removed | Method |
| dimension0 | 1 | debt to equity, market share, no. of transaction, firm sizea | . | Enter |
| a. All requested variables entered. | | | | |
| b. Dependent Variable: return on investment | | | | |

| **ANOVAb** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | .000 | 4 | .000 | 14.961 | .000a |
| Residual | .001 | 120 | .000 |  |  |
| Total | .001 | 124 |  |  |  |
| a. Predictors: (Constant), debt to equity, market share, no. of transaction, firm size | | | | | | |
| b. Dependent Variable: return on investment | | | | | | |

| **Coefficientsa** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| B | Std. Error | Beta |
| 1 | (Constant) | .059 | .008 |  | 6.957 | .000 |
| no. of transaction | 9.403E-8 | .000 | .346 | 4.172 | .000 |
| firm size | -.002- | .000 | -.682- | -5.537- | .000 |
| market share | .052 | .009 | .701 | 5.859 | .000 |
| debt to equity | -2.841E-5 | .000 | -.025- | -.282- | .778 |
| a. Dependent Variable: return on investment | | | | | | |

| **Coefficientsa** | | | | |
| --- | --- | --- | --- | --- |
| Model | | Correlations | | |
| Zero-order | Partial | Part |
| 1 | (Constant) |  |  |  |
| no. of transaction | .319 | .356 | .311 |
| firm size | -.110- | -.451- | -.413- |
| market share | .210 | .472 | .437 |
| debt to equity | -.012- | -.026- | -.021- |
| a. Dependent Variable: return on investment | | | | |

| **Descriptive Statistics** | | | |
| --- | --- | --- | --- |
|  | Mean | Std. Deviation | N |
| return on equity | 11.80611486481726 | 5.561925473107064 | 126 |
| no. of transaction | 9081.13 | 9748.164 | 126 |
| firm size | 20.95816400233266 | .759832966765918 | 126 |
| market share | .04024080721075 | .035373364471388 | 126 |
| debt to equity | 6.82538393161779 | 2.268265228708558 | 126 |

| **Correlations** | | | | |
| --- | --- | --- | --- | --- |
|  | | return on equity | no. of transaction | firm size |
| Pearson Correlation | return on equity | 1.000 | .460 | .047 |
| no. of transaction | .460 | 1.000 | .101 |
| firm size | .047 | .101 | 1.000 |
| market share | .317 | .097 | .759 |
| debt to equity | .400 | .421 | .250 |
| Sig. (1-tailed) | return on equity | . | .000 | .300 |
| no. of transaction | .000 | . | .130 |
| firm size | .300 | .130 | . |
| market share | .000 | .140 | .000 |
| debt to equity | .000 | .000 | .002 |
| N | return on equity | 126 | 126 | 126 |
| no. of transaction | 126 | 126 | 126 |
| firm size | 126 | 126 | 126 |
| market share | 126 | 126 | 126 |
| debt to equity | 126 | 126 | 126 |

| **Correlations** | | | |
| --- | --- | --- | --- |
|  | | market share | debt to equity |
| Pearson Correlation | return on equity | .317 | .400 |
| no. of transaction | .097 | .421 |
| firm size | .759 | .250 |
| market share | 1.000 | .054 |
| debt to equity | .054 | 1.000 |
| Sig. (1-tailed) | return on equity | .000 | .000 |
| no. of transaction | .140 | .000 |
| firm size | .000 | .002 |
| market share | . | .273 |
| debt to equity | .273 | . |
| N | return on equity | 126 | 126 |
| no. of transaction | 126 | 126 |
| firm size | 126 | 126 |
| market share | 126 | 126 |
| debt to equity | 126 | 126 |

| **Variables Entered/Removedb** | | | | |
| --- | --- | --- | --- | --- |
| Model | | Variables Entered | Variables Removed | Method |
| dimension0 | 1 | debt to equity, market share, no. of transaction, firm sizea | . | Enter |
| a. All requested variables entered. | | | | |
| b. Dependent Variable: return on equity | | | | |

| **ANOVAb** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 1964.740 | 4 | 491.185 | 31.246 | .000a |
| Residual | 1902.137 | 121 | 15.720 |  |  |
| Total | 3866.877 | 125 |  |  |  |
| a. Predictors: (Constant), debt to equity, market share, no. of transaction, firm size | | | | | | |
| b. Dependent Variable: return on equity | | | | | | |

| **Coefficientsa** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| B | Std. Error | Beta |
| 1 | (Constant) | 102.189 | 15.123 |  | 6.757 | .000 |
| no. of transaction | .000 | .000 | .281 | 3.963 | .000 |
| firm size | -4.944- | .761 | -.675- | -6.496- | .000 |
| market share | 122.640 | 15.903 | .780 | 7.712 | .000 |
| debt to equity | 1.001 | .183 | .408 | 5.474 | .000 |
| a. Dependent Variable: return on equity | | | | | | |

| **Coefficientsa** | | | | |
| --- | --- | --- | --- | --- |
| Model | | Correlations | | |
| Zero-order | Partial | Part |
| 1 | (Constant) |  |  |  |
| no. of transaction | .460 | .339 | .253 |
| firm size | .047 | -.508- | -.414- |
| market share | .317 | .574 | .492 |
| debt to equity | .400 | .445 | .349 |
| a. Dependent Variable: return on equity | | | | |

| **Descriptive Statistics** | | | |
| --- | --- | --- | --- |
|  | Mean | Std. Deviation | N |
| eps | .27282798439 | .201617525886 | 126 |
| no. of transaction | 9081.13 | 9748.164 | 126 |
| firm size | 20.95816400233266 | .759832966765918 | 126 |
| market share | .04024080721075 | .035373364471388 | 126 |
| debt to equity | 6.82538393161779 | 2.268265228708558 | 126 |

| **Correlations** | | | | |
| --- | --- | --- | --- | --- |
|  | | eps | no. of transaction | firm size |
| Pearson Correlation | eps | 1.000 | .361 | .432 |
| no. of transaction | .361 | 1.000 | .101 |
| firm size | .432 | .101 | 1.000 |
| market share | .468 | .097 | .759 |
| debt to equity | .145 | .421 | .250 |
| Sig. (1-tailed) | eps | . | .000 | .000 |
| no. of transaction | .000 | . | .130 |
| firm size | .000 | .130 | . |
| market share | .000 | .140 | .000 |
| debt to equity | .053 | .000 | .002 |
| N | eps | 126 | 126 | 126 |
| no. of transaction | 126 | 126 | 126 |
| firm size | 126 | 126 | 126 |
| market share | 126 | 126 | 126 |
| debt to equity | 126 | 126 | 126 |

| **Correlations** | | | |
| --- | --- | --- | --- |
|  | | market share | debt to equity |
| Pearson Correlation | eps | .468 | .145 |
| no. of transaction | .097 | .421 |
| firm size | .759 | .250 |
| market share | 1.000 | .054 |
| debt to equity | .054 | 1.000 |
| Sig. (1-tailed) | eps | .000 | .053 |
| no. of transaction | .140 | .000 |
| firm size | .000 | .002 |
| market share | . | .273 |
| debt to equity | .273 | . |
| N | eps | 126 | 126 |
| no. of transaction | 126 | 126 |
| firm size | 126 | 126 |
| market share | 126 | 126 |
| debt to equity | 126 | 126 |

| **ANOVAb** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 1.694 | 4 | .423 | 15.123 | .000a |
| Residual | 3.388 | 121 | .028 |  |  |
| Total | 5.081 | 125 |  |  |  |
| a. Predictors: (Constant), debt to equity, market share, no. of transaction, firm size | | | | | | |
| b. Dependent Variable: eps | | | | | | |

| **Coefficientsa** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| B | Std. Error | Beta |
| 1 | (Constant) | -.881- | .638 |  | -1.381- | .170 |
| no. of transaction | 7.017E-6 | .000 | .339 | 4.109 | .000 |
| firm size | .051 | .032 | .191 | 1.576 | .118 |
| market share | 1.673 | .671 | .294 | 2.493 | .014 |
| debt to equity | -.005- | .008 | -.062- | -.711- | .478 |
| a. Dependent Variable: eps | | | | | | |

| **Coefficientsa** | | | | |
| --- | --- | --- | --- | --- |
| Model | | Correlations | | |
| Zero-order | Partial | Part |
| 1 | (Constant) |  |  |  |
| no. of transaction | .361 | .350 | .305 |
| firm size | .432 | .142 | .117 |
| market share | .468 | .221 | .185 |
| debt to equity | .145 | -.065- | -.053- |
| a. Dependent Variable: eps | | | | |

| **Descriptive Statistics** | | | |
| --- | --- | --- | --- |
|  | Mean | Std. Deviation | N |
| return of assets | 1.5200483462632 | .69036082573297 | 126 |
| no. of transaction | 9081.13 | 9748.164 | 126 |
| firm size | 20.95816400233266 | .759832966765918 | 126 |
| market share | .04024080721075 | .035373364471388 | 126 |
| debt to equity | 6.82538393161779 | 2.268265228708558 | 126 |

| **Correlations** | | | | |
| --- | --- | --- | --- | --- |
|  | | return of assets | no. of transaction | firm size |
| Pearson Correlation | return of assets | 1.000 | .267 | -.118- |
| no. of transaction | .267 | 1.000 | .101 |
| firm size | -.118- | .101 | 1.000 |
| market share | .341 | .097 | .759 |
| debt to equity | -.118- | .421 | .250 |
| Sig. (1-tailed) | return of assets | . | .001 | .093 |
| no. of transaction | .001 | . | .130 |
| firm size | .093 | .130 | . |
| market share | .000 | .140 | .000 |
| debt to equity | .095 | .000 | .002 |
| N | return of assets | 126 | 126 | 126 |
| no. of transaction | 126 | 126 | 126 |
| firm size | 126 | 126 | 126 |
| market share | 126 | 126 | 126 |
| debt to equity | 126 | 126 | 126 |

| **Correlations** | | | |
| --- | --- | --- | --- |
|  | | market share | debt to equity |
| Pearson Correlation | return of assets | .341 | -.118- |
| no. of transaction | .097 | .421 |
| firm size | .759 | .250 |
| market share | 1.000 | .054 |
| debt to equity | .054 | 1.000 |
| Sig. (1-tailed) | return of assets | .000 | .095 |
| no. of transaction | .140 | .000 |
| firm size | .000 | .002 |
| market share | . | .273 |
| debt to equity | .273 | . |
| N | return of assets | 126 | 126 |
| no. of transaction | 126 | 126 |
| firm size | 126 | 126 |
| market share | 126 | 126 |
| debt to equity | 126 | 126 |

| **ANOVAd** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 6.918 | 1 | 6.918 | 16.292 | .000a |
| Residual | 52.656 | 124 | .425 |  |  |
| Total | 59.575 | 125 |  |  |  |
| 2 | Regression | 26.870 | 2 | 13.435 | 50.528 | .000b |
| Residual | 32.705 | 123 | .266 |  |  |
| Total | 59.575 | 125 |  |  |  |
| 3 | Regression | 30.887 | 3 | 10.296 | 43.784 | .000c |
| Residual | 28.688 | 122 | .235 |  |  |
| Total | 59.575 | 125 |  |  |  |
| a. Predictors: (Constant), market share | | | | | | |
| b. Predictors: (Constant), market share, firm size | | | | | | |
| c. Predictors: (Constant), market share, firm size, no. of transaction | | | | | | |
| d. Dependent Variable: return of assets | | | | | | |

| **Coefficientsa** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| B | Std. Error | Beta |
| 1 | (Constant) | 1.252 | .088 |  | 14.211 | .000 |
| market share | 6.651 | 1.648 | .341 | 4.036 | .000 |
| 2 | (Constant) | 17.640 | 1.893 |  | 9.318 | .000 |
| market share | 19.806 | 2.002 | 1.015 | 9.895 | .000 |
| firm size | -.807- | .093 | -.888- | -8.662- | .000 |
| 3 | (Constant) | 17.803 | 1.781 |  | 9.998 | .000 |
| market share | 19.562 | 1.883 | 1.002 | 10.388 | .000 |
| firm size | -.823- | .088 | -.905- | -9.378- | .000 |
| no. of transaction | 1.849E-5 | .000 | .261 | 4.133 | .000 |
| a. Dependent Variable: return of assets | | | | | | |

| **Coefficientsa** | | | | |
| --- | --- | --- | --- | --- |
| Model | | Correlations | | |
| Zero-order | Partial | Part |
| 1 | (Constant) |  |  |  |
| market share | .341 | .341 | .341 |
| 2 | (Constant) |  |  |  |
| market share | .341 | .666 | .661 |
| firm size | -.118- | -.616- | -.579- |
| 3 | (Constant) |  |  |  |
| market share | .341 | .685 | .653 |
| firm size | -.118- | -.647- | -.589- |
| no. of transaction | .267 | .350 | .260 |
| a. Dependent Variable: return of assets | | | | |

| **Excluded Variablesd** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Beta In | t | Sig. | Partial Correlation | Collinearity Statistics |
| Tolerance |
| 1 | no. of transaction | .236a | 2.863 | .005 | .250 | .991 |
| firm size | -.888-a | -8.662- | .000 | -.616- | .424 |
| debt to equity | -.136-a | -1.624- | .107 | -.145- | .997 |
| 2 | no. of transaction | .261b | 4.133 | .000 | .350 | .989 |
| debt to equity | .056b | .787 | .433 | .071 | .894 |
| 3 | debt to equity | -.076-c | -1.028- | .306 | -.093- | .731 |
| a. Predictors in the Model: (Constant), market share | | | | | | |
| b. Predictors in the Model: (Constant), market share, firm size | | | | | | |
| c. Predictors in the Model: (Constant), market share, firm size, no. of transaction | | | | | | |
| d. Dependent Variable: return of assets | | | | | | |

| **Descriptive Statistics** | | | |
| --- | --- | --- | --- |
|  | Mean | Std. Deviation | N |
| return on investment | .01219817252551 | .002627619378632 | 125 |
| no. of transaction | 8941.18 | 9659.451 | 125 |
| firm size | 20.96475513539651 | .759265558598466 | 125 |
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| debt to equity | 6.82379488651729 | 2.277322677682905 | 125 |

| **Correlations** | | | | |
| --- | --- | --- | --- | --- |
|  | | return on investment | no. of transaction | firm size |
| Pearson Correlation | return on investment | 1.000 | .319 | -.110- |
| no. of transaction | .319 | 1.000 | .119 |
| firm size | -.110- | .119 | 1.000 |
| market share | .210 | .093 | .766 |
| debt to equity | -.012- | .425 | .252 |
| Sig. (1-tailed) | return on investment | . | .000 | .111 |
| no. of transaction | .000 | . | .094 |
| firm size | .111 | .094 | . |
| market share | .009 | .151 | .000 |
| debt to equity | .448 | .000 | .002 |
| N | return on investment | 125 | 125 | 125 |
| no. of transaction | 125 | 125 | 125 |
| firm size | 125 | 125 | 125 |
| market share | 125 | 125 | 125 |
| debt to equity | 125 | 125 | 125 |

| **Correlations** | | | |
| --- | --- | --- | --- |
|  | | market share | debt to equity |
| Pearson Correlation | return on investment | .210 | -.012- |
| no. of transaction | .093 | .425 |
| firm size | .766 | .252 |
| market share | 1.000 | .054 |
| debt to equity | .054 | 1.000 |
| Sig. (1-tailed) | return on investment | .009 | .448 |
| no. of transaction | .151 | .000 |
| firm size | .000 | .002 |
| market share | . | .274 |
| debt to equity | .274 | . |
| N | return on investment | 125 | 125 |
| no. of transaction | 125 | 125 |
| firm size | 125 | 125 |
| market share | 125 | 125 |
| debt to equity | 125 | 125 |

| **ANOVAd** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | .000 | 1 | .000 | 13.972 | .000a |
| Residual | .001 | 123 | .000 |  |  |
| Total | .001 | 124 |  |  |  |
| 2 | Regression | .000 | 2 | .000 | 9.496 | .000b |
| Residual | .001 | 122 | .000 |  |  |
| Total | .001 | 124 |  |  |  |
| 3 | Regression | .000 | 3 | .000 | 20.074 | .000c |
| Residual | .001 | 121 | .000 |  |  |
| Total | .001 | 124 |  |  |  |
| a. Predictors: (Constant), no. of transaction | | | | | | |
| b. Predictors: (Constant), no. of transaction, market share | | | | | | |
| c. Predictors: (Constant), no. of transaction, market share, firm size | | | | | | |
| d. Dependent Variable: return on investment | | | | | | |

| **Coefficientsa** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| B | Std. Error | Beta |
| 1 | (Constant) | .011 | .000 |  | 37.413 | .000 |
| no. of transaction | 8.688E-8 | .000 | .319 | 3.738 | .000 |
| 2 | (Constant) | .011 | .000 |  | 28.739 | .000 |
| no. of transaction | 8.229E-8 | .000 | .303 | 3.576 | .001 |
| market share | .013 | .006 | .182 | 2.147 | .034 |
| 3 | (Constant) | .060 | .008 |  | 7.321 | .000 |
| no. of transaction | 9.134E-8 | .000 | .336 | 4.488 | .000 |
| market share | .053 | .009 | .710 | 6.141 | .000 |
| firm size | -.002- | .000 | -.693- | -5.984- | .000 |
| a. Dependent Variable: return on investment | | | | | | |

| **Coefficientsa** | | | | |
| --- | --- | --- | --- | --- |
| Model | | Correlations | | |
| Zero-order | Partial | Part |
| 1 | (Constant) |  |  |  |
| no. of transaction | .319 | .319 | .319 |
| 2 | (Constant) |  |  |  |
| no. of transaction | .319 | .308 | .301 |
| market share | .210 | .191 | .181 |
| 3 | (Constant) |  |  |  |
| no. of transaction | .319 | .378 | .333 |
| market share | .210 | .487 | .456 |
| firm size | -.110- | -.478- | -.445- |
| a. Dependent Variable: return on investment | | | | |

| **Descriptive Statistics** | | | |
| --- | --- | --- | --- |
|  | Mean | Std. Deviation | N |
| return on equity | 11.80611486481726 | 5.561925473107064 | 126 |
| no. of transaction | 9081.13 | 9748.164 | 126 |
| firm size | 20.95816400233266 | .759832966765918 | 126 |
| market share | .04024080721075 | .035373364471388 | 126 |
| debt to equity | 6.82538393161779 | 2.268265228708558 | 126 |

| **Correlations** | | | | |
| --- | --- | --- | --- | --- |
|  | | return on equity | no. of transaction | firm size |
| Pearson Correlation | return on equity | 1.000 | .460 | .047 |
| no. of transaction | .460 | 1.000 | .101 |
| firm size | .047 | .101 | 1.000 |
| market share | .317 | .097 | .759 |
| debt to equity | .400 | .421 | .250 |
| Sig. (1-tailed) | return on equity | . | .000 | .300 |
| no. of transaction | .000 | . | .130 |
| firm size | .300 | .130 | . |
| market share | .000 | .140 | .000 |
| debt to equity | .000 | .000 | .002 |
| N | return on equity | 126 | 126 | 126 |
| no. of transaction | 126 | 126 | 126 |
| firm size | 126 | 126 | 126 |
| market share | 126 | 126 | 126 |
| debt to equity | 126 | 126 | 126 |

| **Correlations** | | | |
| --- | --- | --- | --- |
|  | | market share | debt to equity |
| Pearson Correlation | return on equity | .317 | .400 |
| no. of transaction | .097 | .421 |
| firm size | .759 | .250 |
| market share | 1.000 | .054 |
| debt to equity | .054 | 1.000 |
| Sig. (1-tailed) | return on equity | .000 | .000 |
| no. of transaction | .140 | .000 |
| firm size | .000 | .002 |
| market share | . | .273 |
| debt to equity | .273 | . |
| N | return on equity | 126 | 126 |
| no. of transaction | 126 | 126 |
| firm size | 126 | 126 |
| market share | 126 | 126 |
| debt to equity | 126 | 126 |

| **ANOVAe** | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Model | | Sum of Squares | | df | | Mean Square | | F | | Sig. | |
| 1 | Regression | 819.116 | | 1 | | 819.116 | | 33.326 | | .000a | |
| Residual | 3047.761 | | 124 | | 24.579 | |  | |  | |
| Total | 3866.877 | | 125 | |  | |  | |  | |
| 2 | Regression | 1108.758 | | 2 | | 554.379 | | 24.723 | | .000b | |
| Residual | 2758.119 | | 123 | | 22.424 | |  | |  | |
| Total | 3866.877 | | 125 | |  | |  | |  | |
| 3 | Regression | 1493.777 | | 3 | | 497.926 | | 25.598 | | .000c | |
| Residual | 2373.100 | | 122 | | 19.452 | |  | |  | |
| Total | 3866.877 | | 125 | |  | |  | |  | |
| 4 | Regression | 1964.740 | | 4 | | 491.185 | | 31.246 | | .000d | |
| Residual | 1902.137 | | 121 | | 15.720 | |  | |  | |
| Total | 3866.877 | | 125 | |  | |  | |  | |
| a. Predictors: (Constant), no. of transaction | | | | | | | | | | | |
| b. Predictors: (Constant), no. of transaction, market share | | | | | | | | | | | |
| c. Predictors: (Constant), no. of transaction, market share, firm size | | | | | | | | | | | |
| d. Predictors: (Constant), no. of transaction, market share, firm size, debt to equity | | | | | | | | | | | |
| e. Dependent Variable: return on equity | | | | | | | | | | | |
| **Coefficientsa** | | | | | | | | | | | | |
| Model | | | Unstandardized Coefficients | | | | Standardized Coefficients | | t | | Sig. | |
| B | | Std. Error | | Beta | |
| 1 | (Constant) | | 9.421 | | .605 | |  | | 15.579 | | .000 | |
| no. of transaction | | .000 | | .000 | | .460 | | 5.773 | | .000 | |
| 2 | (Constant) | | 7.820 | | .730 | |  | | 10.718 | | .000 | |
| no. of transaction | | .000 | | .000 | | .434 | | 5.667 | | .000 | |
| market share | | 43.236 | | 12.030 | | .275 | | 3.594 | | .000 | |
| 3 | (Constant) | | 79.811 | | 16.196 | |  | | 4.928 | | .000 | |
| no. of transaction | | .000 | | .000 | | .447 | | 6.268 | | .000 | |
| market share | | 100.873 | | 17.128 | | .642 | | 5.889 | | .000 | |
| firm size | | -3.549- | | .798 | | -.485- | | -4.449- | | .000 | |
| 4 | (Constant) | | 102.189 | | 15.123 | |  | | 6.757 | | .000 | |
| no. of transaction | | .000 | | .000 | | .281 | | 3.963 | | .000 | |
| market share | | 122.640 | | 15.903 | | .780 | | 7.712 | | .000 | |
| firm size | | -4.944- | | .761 | | -.675- | | -6.496- | | .000 | |
| debt to equity | | 1.001 | | .183 | | .408 | | 5.474 | | .000 | |
| a. Dependent Variable: return on equity | | | | | | | | | | | | |

| **Coefficientsa** | | | | |
| --- | --- | --- | --- | --- |
| Model | | Correlations | | |
| Zero-order | Partial | Part |
| 1 | (Constant) |  |  |  |
| no. of transaction | .460 | .460 | .460 |
| 2 | (Constant) |  |  |  |
| no. of transaction | .460 | .455 | .432 |
| market share | .317 | .308 | .274 |
| 3 | (Constant) |  |  |  |
| no. of transaction | .460 | .494 | .445 |
| market share | .317 | .470 | .418 |
| firm size | .047 | -.374- | -.316- |
| 4 | (Constant) |  |  |  |
| no. of transaction | .460 | .339 | .253 |
| market share | .317 | .574 | .492 |
| firm size | .047 | -.508- | -.414- |
| debt to equity | .400 | .445 | .349 |
| a. Dependent Variable: return on equity | | | | |

| **Descriptive Statistics** | | | |
| --- | --- | --- | --- |
|  | Mean | Std. Deviation | N |
| eps | .27282798439 | .201617525886 | 126 |
| no. of transaction | 9081.13 | 9748.164 | 126 |
| firm size | 20.95816400233266 | .759832966765918 | 126 |
| market share | .04024080721075 | .035373364471388 | 126 |
| debt to equity | 6.82538393161779 | 2.268265228708558 | 126 |

| **Correlations** | | | | |
| --- | --- | --- | --- | --- |
|  | | eps | no. of transaction | firm size |
| Pearson Correlation | eps | 1.000 | .361 | .432 |
| no. of transaction | .361 | 1.000 | .101 |
| firm size | .432 | .101 | 1.000 |
| market share | .468 | .097 | .759 |
| debt to equity | .145 | .421 | .250 |
| Sig. (1-tailed) | eps | . | .000 | .000 |
| no. of transaction | .000 | . | .130 |
| firm size | .000 | .130 | . |
| market share | .000 | .140 | .000 |
| debt to equity | .053 | .000 | .002 |
| N | eps | 126 | 126 | 126 |
| no. of transaction | 126 | 126 | 126 |
| firm size | 126 | 126 | 126 |
| market share | 126 | 126 | 126 |
| debt to equity | 126 | 126 | 126 |

| **Correlations** | | | |
| --- | --- | --- | --- |
|  | | market share | debt to equity |
| Pearson Correlation | eps | .468 | .145 |
| no. of transaction | .097 | .421 |
| firm size | .759 | .250 |
| market share | 1.000 | .054 |
| debt to equity | .054 | 1.000 |
| Sig. (1-tailed) | eps | .000 | .053 |
| no. of transaction | .140 | .000 |
| firm size | .000 | .002 |
| market share | . | .273 |
| debt to equity | .273 | . |
| N | eps | 126 | 126 |
| no. of transaction | 126 | 126 |
| firm size | 126 | 126 |
| market share | 126 | 126 |
| debt to equity | 126 | 126 |

| **ANOVAc** | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Model | | Sum of Squares | | df | | Mean Square | | F | | Sig. | |
| 1 | Regression | 1.112 | | 1 | | 1.112 | | 34.734 | | .000a | |
| Residual | 3.969 | | 124 | | .032 | |  | |  | |
| Total | 5.081 | | 125 | |  | |  | |  | |
| 2 | Regression | 1.623 | | 2 | | .812 | | 28.863 | | .000b | |
| Residual | 3.458 | | 123 | | .028 | |  | |  | |
| Total | 5.081 | | 125 | |  | |  | |  | |
| a. Predictors: (Constant), market share | | | | | | | | | | | |
| b. Predictors: (Constant), market share, no. of transaction | | | | | | | | | | | |
| c. Dependent Variable: eps | | | | | | | | | | | |
| **Coefficientsa** | | | | | | | | | | | | |
| Model | | | Unstandardized Coefficients | | | | Standardized Coefficients | | t | | Sig. | |
| B | | Std. Error | | Beta | |
| 1 | (Constant) | | .166 | | .024 | |  | | 6.841 | | .000 | |
| market share | | 2.666 | | .452 | | .468 | | 5.894 | | .000 | |
| 2 | (Constant) | | .113 | | .026 | |  | | 4.365 | | .000 | |
| market share | | 2.490 | | .426 | | .437 | | 5.846 | | .000 | |
| no. of transaction | | 6.591E-6 | | .000 | | .319 | | 4.264 | | .000 | |
| a. Dependent Variable: eps | | | | | | | | | | | | |

| **Coefficientsa** | | | | |
| --- | --- | --- | --- | --- |
| Model | | Correlations | | |
| Zero-order | Partial | Part |
| 1 | (Constant) |  |  |  |
| market share | .468 | .468 | .468 |
| 2 | (Constant) |  |  |  |
| market share | .468 | .466 | .435 |
| no. of transaction | .361 | .359 | .317 |
| a. Dependent Variable: eps | | | | |

**result of analysis :**

**1- The effect of (no.of transaction, firm size, market share, debt on equity) in ROA**

the mean of ROA = 1.5200483462 ,, and the tsd. deviation = 0.69036082573

the person correlation of no.of transaction in ROA = 0.267 - that means its medium correlation

the person correlation of firm size in ROA = -0.118 - that means its bad correlation

the person correlation of market share in ROA = 0.341 - that means its medium correlation

the person correlation of debt to equity in ROA = -0.118 that mean its bad correlation

the correlation coefficient of mode (R) = 0.723 ,, means we have a correlation between them because its positive relation

the coefficient of determination ( R Square ) = 0.523

the F = 33.118

the ( no.of transaction , firm size and market share ) effect in ROA , because his significant less than 0.05

**2- The effect of (no.of transaction, firm size, market share, debt on equity) in ROI**

the mean of ROI = 0.01219817252 ,, and the tsd. deviation = 0.00262761937

the person correlation of no.of transaction in ROI = 0.319 - that means its medium correlation

the person correlation of firm size in ROI = -0.110 - that means its bad correlation

the person correlation of market share in ROI = 0.210 - that means its medium correlation

the person correlation of debt to equity in ROI = -0.012 that mean its bad correlation

the correlation coefficient of mode (R) = 0.577 ,, means we have a correlation between them because its positive relation

the coefficient of determination ( R Square ) = 0.333

the F = 33.118

the ( no.of transaction , firm size and market share ) effect in ROI , because his significant less than 0.05

**3 The effect of (no.of transaction, firm size, market share, debt on equity) in ROE**

the mean of ROE = 11.806114864 ,, and the tsd. deviation = 5.5619254731

the person correlation of no.of transaction in ROE = 0.460 - that means its medium correlation

the person correlation of firm size in ROE = 0.047 - that means its bad correlation

the person correlation of market share in ROE = 0.317 - that means its medium correlation

the person correlation of debt to equity in ROE = 0.400 - that mean its medium correlation

the correlation coefficient of mode (R) = 0.713 ,, means we have a correlation between them because its positive relation

the coefficient of determination ( R Square ) = 0.508

the F = 31.246

the ( no.of transaction , firm size , market share and debt to equity ) effect in ROE , because his significant less than 0.05

**4 The effect of (no.of transaction, firm size, market share, debt on equity) in EPS**

the mean of EPS = 0.27282798439 ,, and the tsd. deviation = 0.20161752588

the person correlation of no.of transaction in EPS = 0.361 - that means its medium correlation

the person correlation of firm size in EPS = 0.432 - that means its medium correlation

the person correlation of market share in EPS = 0.468 - that means its medium correlation

the person correlation of debt to equity in EPS = 0.145 - that mean its bad correlation

the correlation coefficient of mode (R) = 0.577 ,, means we have a correlation between them because its positive relation

the coefficient of determination ( R Square ) = 0.333

the F = 15.123

the ( no.of transaction and market share ) effect in EPS , because his significant less than 0.05

**conclusions**

in this studying and analyzing the factor of profitability of Jordanian banks . and has sought to examine how specific factors, affect the profitability of Jordanian banks over the period 2015-2020. Based on the results of the empirical analysis, we determinants some ratio to study the effect of this in bank financial performance.

A major outcome of this study is the strength of correlation between independent and dependent factor " the high person correlation its mean a good correlation between factor ". The study also concluded the mean and std.deviation F.P to determine the effect of theme in financial performance of the bank .

and we answer four main question to know the effect of ratio we analysis in jordanian bank performance .

Are the factors (no.of transaction, firm size, market share, debt on equity) affecting on ROA

Are the factors (no.of transaction, firm size, market share, debt on equity) affecting on ROI

Are the factors (no.of transaction, firm size, market share, debt on equity) affecting on ROE

Are the factors (no.of transaction, firm size, market share, debt on equity) affecting on EPS

to know the correlation and regression between these factors .

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