EFFECT OF BUSINESS PROCESS RE-ENGINEERING (BPR) ON PERFORMANCE OF IRAN BANKING SECTOR, FOCUS ON CUSTOMER-SATISFACTION

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Abstract

Increases in consumer requirements for both product and service efficiency and effectiveness has resulted in business process reengineering (BPR). The Re-engineering of business processes is concerned with fundamentally rethinking and redesigning business processes to obtain dramatic and sustaining improvements in quality, cost, service, lead-times, outcomes, flexibility and innovation (Hammer and Champy, 1993). Now a days banking industry has reduced structural barriers to competition in domestic markets by abolishing interest rates ceilings on deposits and lending by financial intermediaries in the world. Iran also has not been expected. according the Government’s decision, the interest rate is going down to be around 9% (before: 22% / right now :15%). and this decision is very risky for the banks in Iran. On these reasons cited above, the banks should employ some strategies to solve their problems. it’s because the customers have vital and key role in this sector and the banks are dependent to them. BPR is one strategy to help them in this competitive situation. BPR implementation can provide them, to survive in this better customer service, as well as improvement and management of customer expectations satisfaction and loyalty (Winer, 2001). This study is a descriptive-correlation research to explain effect of BPR on strengthening of banking sector, focus on customer satisfaction. The focus of attention with such applications is customer satisfaction. In this research, a Questionnaire was developed containing the 18 items, each items employed a 7-piont instrument developed to find existent relationship between BPR implementation and customer satisfaction, relationship between employee’s productivity and efficiency and satisfaction level of customer and also affect of Information Technology on accomplishment of BPR. In order to validate the instrument, validity and reliability tests were performed and to get Reliability, Alpha cronbakh has computed according a pilot study as shown in following items

rH1 (5 factors)= %65.7  
r H2 (with 7factors )= %65  
r H3 (with 5 factors )= %71  
R total: (with 17 factors)= %84

Key word: Business ,Process, R-engineering ,Banking,

Keywords: Processes; Business engineering; Banking; Satisfaction; Iran.

JEL Classification Codes: C42; O31.

1. Introduction

The fragmented processes and specialized structures of company of earlier days are quite unresponsive to large dynamic changes with intensive competition in today’s external environment. This movement was motivated, in particular, by the need for companies to remain competitive in markets characterized by an increase in customer numbers and in the supply of services (Venkatraman, 1994). The introduction of technology-based solutions therefore came about as a way of differentiating companies from their customers’ point of view. This evolution contributed towards a change in many companies’ strategies and, in particular, the relations they establish with customers (Ricard et al, 2001).

In this environment, banking industry has reduced structural barriers of competition in domestic markets by abolishing interest rates ceilings on deposits and lending by financial intermediaries in the world. Iran also has not been expected. according the Government’s decision, the interest rate is going down to be around
9% (before: 22% / right now: 15%). In order to survive in the present world of competition, banks’ marketing strategy needs to be formulated in such a way as to woo the customers. Hence, positive customer perception has become a major thrust area for banks to increase market share, that is created by CRM. This has increased the importance of identifying marketing assets in which to invest and of understanding how the assets provide potential for sustained profits in the long run (Rust, Lemon, and Zeithmal 2004). CRM is one of the Business Process R-engineering BPR strategies and techniques.

The purpose of re-engineering is to “make all processes the best-in-class”. Frederick Taylor suggested in the 1880’s that managers could discover the best processes for performing work and re-engineer them to optimize productivity. In the early 1990’s, Henri Fayol originated the concept of re-engineering: “To conduct the undertaking toward its objectives by seeking to derive optimum advantage from all available resources”. So when we apply re-engineering in the Business area, it means we discuss about BPR. Business process re-engineering, (BPR) is a modern concept with combination of on going technological and management revolution. Today the survival and growth of the competitive business world depends on speedy product development, speedy delivery and maintaining the quality to the international standard at low cost with added value to the consumers. As traditional management structures cannot provide dramatic result, it is needed to rethink, redesign, retool and restructure the existing organizational systems and process i.e, in other words to “Re-engineer”.

2. Contemplates of BPR

Hammer and Champy (1993) identified three types of organizations that could find solutions in re-engineering: those going through serious problems; those that foresee problems in the mid/long term; and those well situated but wishing to increase their advantage over their competitors. The early dominant interpretation in the United States was to use BPR as a formula to confront and overcome critical situations. In contrast, in another sample only a minority of the firms undertook BPR as a response to survival crises. Even though the factors which induced change in these organizations.

Ligus (1993, p. 58) claimed that a “30–35% reduction in the cost of sales; 75–80% reduction in delivery time; 60–80% reduction in inventories; 65–70% reduction in the cost of quality; and unpredictable but substantial increase in market share”, were all possible through effective BPR. However, Holland and Kumar (1995) noted that 60–80% of BPR initiatives have been unsuccessful.

3. Characteristics

Re-engineering looks at the way work is done as well as how people relate to each other. It empowers people. Re-engineering is not downsizing. It is not restructuring. It changes the work process and works itself. Wasteful and useless work is curtailed. some jobs are merged and even important jobs are created. Re-engineering contemplates on:

• Rethinking on fundamentals.
• Breakthrough in mind-set.
• Simplifying the multi-active chart.
• Radical redesigning of business process.

4. Definition

Business process Re-engineering is the popular term for reorganizing of processes and structures, prior to the introduction of new information technologies into an organization (Orman, 1993). Business process redesign is “the analysis and design of workflows and processes within and between organizations (Davenport & Short, 1990). (Nickols, 1998) states, Much of management’s difficulty in understanding BPR centers around the Inherent difficulty in defining the constituents of a “business process”. This presents much difficulty, as it then becomes unclear what is Actually being reengineered.

“a set of activities that, taken together, produces a result of value to a customer”(HammerandChampy,1993); “a set of logically related tasks performed to achieve a defined business outcome”(Davenport and Short, 1990); ”an ordering of work activities with a beginning, end, and clearly identified inputs and outputs”(Davenport, 1993); and “any sequence of pre-defined activities executed to achieve a pre-specified type or range of out comes”(Talwar, 1993). Ultimately It was defined by Hammer and Champy (1993) as the fundamental rethinking and radical redesign of business processes.
to achieve dramatic improvements in critical, contemporary measures of performance, such as cost, quality, service and speed.

Michael Hammer considers four keywords within that definition as being the most relevant ones.

1. **Fundamental rethinking:** According to him, two questions are considered as fundamental thinking and are addressing the companies: what are we doing? And why are we doing so? As Hammer points out, forcing people to question the way they do business leads to rules turning out to be obsolete, erroneous and inappropriate. Re-engineering means starting from the scratch and determining firstly what a company has to do? and secondly how to do it?

2. **Radical redesign:** Radical redesign of business processes means getting to the root of things, not improving existing procedures and struggling with sub optimizing. According to Hammer, radical redesign means disregarding all existing structures and procedures and inventing completely new ways of accomplishing work.

3. **Dramatic improvement:** Re-engineering is no way for achieving marginal improvements and fine-tuning. It is intended to achieve heavy blasting.

4. **Process:** Process-orientation is considered as being the most important aspect of BPR. Hammer claims, that most companies focus on tasks, people and structures rather than processes. The process of re-engineering involves:
   - Move towards horizontal instead of vertical
   - Organize by process instead of function
   - Manage as leaders & Coaches instead of supervision

The positive preconditions for BPR success are as follows:
Senior Management Commitment and Sponsorship; Realistic Expectations; Empowered and Collaborative Workers; Strategic Context of Growth and Expansion; Shared Vision; Sound Management practices; Appropriate People Participating Full-Time (cf: CIGNA: BPR as a way of life); and sufficient Budget (Bashein et al. 1994).

5. **Customer satisfaction**
The commercial banking industry like many other financial service industries is facing a rapidly changing market, new technologies, economic uncertainties, fierce competition and more demanding customers and the changing climate has presented and unprecedented set of challenges (Lovelock, 2001). Intangible assets, particularly brands and customers, are critical to any organization (Lev, 2001) and in today’s competitive environment relationship marketing is critical to banking corporate success. Banking is a customer-oriented services industry, therefore the customer is the focus and customer service is the differentiating factor. Customer satisfaction is an important theoretical as well as practical issue for most marketers and consumer researchers (Dabholkar, 1995). Customer satisfaction can be considered the essence of success in today’s highly competitive world of business. Thus, the significance of customer satisfaction and customer retention in strategy development for a market oriented and customer focused firm cannot be overstated.

According to Vara (2002), Satisfaction is “a customer’s emotional response to his or her evaluation of the perceived discrepancy between his or her prior experience with and expectations of product and organization and the actual experienced performance as perceived after interacting with organization and consuming the product “.(Satisfaction= Perception _ Expectation). Customer satisfaction is an important factor to the success of businesses. In the mass consumption era, one of the aspects that will make a customer choose certain products or companies over others will be the level of customer satisfaction and support before and after the sales services provided.

In the financial service industry this is a major oversight since the banking industry relies on customer satisfaction for most of their business transactions, and provides a service and not a tangible product. The only thing customers have to gauge their expectations about these service offerings is customer care (Allen, 2000), many organizations to focus on customer satisfaction (Keber, 2000). A review of articles on the financial services industry revealed that corporations know what the consumers are looking for and that
value is measured through quality (Kerber, 2000). The threat of increased competition, slower growth rates, and price pressures induced

While addressing the issue of customer relationships, one should not forget that the banks are evolving, redesigning and delivering the best possible products and services which will strengthen the bond between them and their customers. In this context, the banks have to transform themselves into customer-centric service centers rather than transaction-processing centers or centers of interest-based services.

6. Banking

The banking sector in Iran is undergoing major changes due to competition and the advent of technology. The customer is looking for better quality services which can provide him/her with satisfaction. The Iran banking industry is also embracing technology rapidly. Big players among the private and public sector banks are reengineering and automating their core banking processes.

7. Banking sector of Iran in a glance

But basic purpose of Iranian banking system is to serve around 70 million people, making profit is secondary goal. All banks in Iran are under the control of central bank of Iran Islamic. Iran Islamic bank is responsible for regulating and implementing of the country credit & monetary policies. Some information about Iranian banks related to this textual are as following in table No 1:

<table>
<thead>
<tr>
<th>Banking Card</th>
<th>POS</th>
<th>ATM</th>
<th>Branches</th>
<th>Electronic</th>
<th>Private</th>
<th>Specialized</th>
<th>Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>25,871,666</td>
<td>1,40,000</td>
<td>9000</td>
<td>16,9810</td>
<td>2</td>
<td>6</td>
<td>4</td>
<td>7</td>
</tr>
</tbody>
</table>

We can divide all the banks customers in two categories.

1- Non-profitable Customers

3- Profit Customers

A- Non-Profit Customers: Non profit customers can be further subdivided in two groups as shown below:

A: All the government’s and company’s employees, those who get salary through banking system.

B: All amount of owners in Iran including (landed property, vehicle,) those, who pay bills like (electricity, water,) through banking system (around 112,000,000 bills monthly). this category includes majority of customers. Banks can’t give good services to them, because they are non-profit customer and engage employees in their work. For this reason such category causes decline in the service qualities of the banks.

B- Profit customer:

Profitable customers are those who pay bank for their services or from whom bank make profits from. These are those customers on whom banks tries to focus on, because they are the real customers. Banks make money from them by providing services like bank deposit, fix deposit, providing loans, credit services, transfer of funds, etc. people in this category are much less as compare to the first category.

Iranian economy is a highly liquid, large amount of money flow in and out of the country and within the country which is mostly done through banks. People prefer to deposit their money in banks despite of low return (as interest) because of the low risk involved and liquidity of their fund. And the other hand, according the above information in table No 1, we understood that banking facilities and devices are very less for this section of customers. And banks are going to increase all of them b 2010. And also BPR in the banking sector has not performed properly yet. It’s because present structure of banking sector is not fit of this amount of the customers and also is not to do this jobs like payment bills direct and so on for them.
8. Research methodology

Primary data: researcher collected primary data through structured questionnaire which is having 18 items and measured on Likert scale. From strongly agree 7 point scale to strongly disagree 1 point on scale. Through questionnaire additional information demographic variable, like age, gender, educational level and technical knowledge. Researcher used convenient sampling in which respondents were senior manager from different place in Iran (mashad). Sample size (360), response (147).

Secondary data: to support primary research, researcher reviewed existing literature from books, magazine, IT journals, Internet, etc.

Hypothesis

Synthesis of the literature review has uncovered an absence of studies that empirically characterize successful BPR efforts. Attempts to explore the BPR phenomenon have manifested themselves as either case studies, which were highly criticized (Cole, 1994), or as conceptual frameworks that lacked empirical testing. The review of the previous research suggests an association between various socio-demographic and e-banking usages like age, sex, income level, the social status etc. but no study aims to find the effect of BPR on performance of banking sector of Iran. As it is a known fact that people satisfaction depends to service quality through e-banking and banking sector has to apply new strategy jointly with modern technologies. Hence this study aims to understand the effect of BPR on banking. Based on the literature review, the following hypotheses were articulated for testing:

Hypothesis 1: BPR offer novel service and goods according the customers’ requests and demands.
Hypothesis 2: BPR offer better services by employees.
Hypothesis 3: IT has important role to implement the BPR.

Objective of the study

The main objectives of this study are:
1. To find relationship between BPR and customer satisfaction level in the bank
2. To find the existing customer satisfaction level in the bank.
3. To recognize the relationship between employees productivity and effectiveness and customer satisfaction level.
4. To find the role of information technology on BPR implementation

Research design

This study is a descriptive-correlation research and has used descriptive statistics like Frequency, Mean, Std D and.... So to hypothesis analysis used statistics of One-Sample-T test. The research design is exploratory in nature. The research has been conducted on some different banks in Mashad city (Iran). Convenience sampling method has been adopted and an attempt has been made.

Data collection

Keeping in mind the objectives of the study, the primary data was collected from a sample of 147 respondents belonging to the senior manager of the banks. The which was distributed, pilot tested and re-framed for the study and included open-ended. The data so collected was analyzed with the help of various statistical techniques.

One possible limitation of this study might be that the sample size is too small (148 possible respondents in total). However Roscoe (1975) argued that sample sizes greater than 30 and less than 500 are appropriate for most research projects. Wilcox (1998) states that increasing sample size can increase the likelihood of affecting type second errors and accepting the research finding when in fact they should be rejected as even weak relationships could reach significant levels with large samples.

Instrument Validation

In order to validate the instrument, validity and reliability tests were performed, correlation coefficients between the realized constructs were examined. Validity of this questionnaires has done by experts panel and to get Reliability, Alpha kronbach has computed according a pilot study as shown in following items

\[ r_{H1} \ (5 \ factors) = 65.7\% \]

r H2 (with 7 factors) = 65%
r H3 (with 5 factors) = 71%
and
R total: (with 17 factors) = 84%

Analysis of data and discussion:

Descriptive Analysis:
In descriptive analysis, has proceeded to some data according some statistics like Mean, Std D and Frequency.

Descriptive analysis of Table 2-1:
As you seen in the table, factor No1: with Mean 5.8776, std D 1.28505 and Frequency 149 & factor No2 : with Mean 6.2245, Std D 1.10426 and Frequency 149 are high rank , means these factors have more effective on first hypotheses than others . and Factor No5 : with Mean 6.4490, Std D .76543 and Frequency 149 is low rank. It means effect of this case on the first hypothesis is less than others.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Variables</th>
<th>Std D</th>
<th>Mean</th>
<th>F/N</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>BPR effects on customers’ expectation</td>
<td>1.28505</td>
<td>5.8776</td>
<td>149 1125.39847</td>
</tr>
<tr>
<td>2</td>
<td>BPR effects on recognizing of customer’s needs and requests.</td>
<td>1.10426</td>
<td>6.2245</td>
<td>149 1024.14649</td>
</tr>
<tr>
<td>3</td>
<td>BPR uses customers’ opinion.</td>
<td>1.00424</td>
<td>6.3061</td>
<td>149 943.59284</td>
</tr>
<tr>
<td>4</td>
<td>BPR causes to offer optimum goods and services to the customers.</td>
<td>.88448</td>
<td>6.2653</td>
<td>149 825.68835</td>
</tr>
<tr>
<td>5</td>
<td>BPR causes to increase productivity and efficiency of employees.</td>
<td>.76543</td>
<td>6.4490</td>
<td>149 135.50245</td>
</tr>
</tbody>
</table>

Descriptive analysis table 2-2:
As you seen in the table, factor No1: with Mean 5.9592, std D 1.54055 and Frequency 149 & factor No2 : with Mean 5.7500, Std D 1.42172 and Frequency 149 are high rank in this hypothesis and mean these have much effective on second hypothesis than others, and Factor No7 : with Mean 6.6122, Std D .53293 and Frequency 149 is low rank. It means effect of this case on the second hypothesis is less than others.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Variables</th>
<th>Std D</th>
<th>Mean</th>
<th>F/N</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bank employee’s behaviors effect on degree of customers, satisfaction.</td>
<td>1.54055</td>
<td>5.9592</td>
<td>149 1367.88639</td>
</tr>
<tr>
<td>2</td>
<td>Response late to the customers cause their unsatisfaction.</td>
<td>1.42172</td>
<td>5.7500</td>
<td>149 1218.05861</td>
</tr>
<tr>
<td>3</td>
<td>Education level of employee effect on their service quality to offer.</td>
<td>1.27409</td>
<td>5.9592</td>
<td>149 1131.29101</td>
</tr>
<tr>
<td>4</td>
<td>BPR causes making a good and intimate relationship between employee and customers.</td>
<td>1.15138</td>
<td>6.3878</td>
<td>149 1095.86299</td>
</tr>
<tr>
<td>5</td>
<td>BPR has specific standard to report.</td>
<td>.99586</td>
<td>6.6327</td>
<td>149 895.23635</td>
</tr>
<tr>
<td>6</td>
<td>Elimination of unnecessary control and rules cause increasing employees, productivity</td>
<td>.81650</td>
<td>6.5714</td>
<td>149 799.46667</td>
</tr>
<tr>
<td>7</td>
<td>Employee are effect to make intimate and friendly relationship with the customers.</td>
<td>.53293</td>
<td>6.6122</td>
<td>149 525.05212</td>
</tr>
</tbody>
</table>
Descriptive analysis table 2-3:
As you seen in the table, factor No1 : with Mean 6.4082, std D .86406 and Frequency 149 & factor No 2 : with Mean 6.5510 Std D .61445 and Frequency 149 are high rank , means these factors have more effective on third hypotheses than others, and Factor No5 : with Mean 6.6122, Std D.49229 and Frequency 149 is low rank. It means effect of this case on the third hypothesis is less than others.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Variables</th>
<th>Std D</th>
<th>Mean</th>
<th>F/N</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Information Technology (IT) decreases transaction time.</td>
<td>.86406</td>
<td>6.4082</td>
<td>149</td>
</tr>
<tr>
<td>2</td>
<td>IT decreases expenditure of goods and services to offer to customers.</td>
<td>.61445</td>
<td>6.5510</td>
<td>149</td>
</tr>
<tr>
<td>3</td>
<td>Some facilities like telephone bank, mobile bank, Internet banking and ATM</td>
<td>.56620</td>
<td>6.6327</td>
<td>149</td>
</tr>
<tr>
<td>4</td>
<td>IT has important role to manager’s decision making.</td>
<td>.50843</td>
<td>6.6939</td>
<td>149</td>
</tr>
<tr>
<td>5</td>
<td>IT has important role in planning of BPR.</td>
<td>.49229</td>
<td>6.6122</td>
<td>149</td>
</tr>
</tbody>
</table>

Status of socio-demographic and analyzing:

<table>
<thead>
<tr>
<th>Variables</th>
<th>F/N</th>
<th>Mean</th>
<th>Std D</th>
<th>Max</th>
<th>Min</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>96</td>
<td>34</td>
<td>9.05</td>
<td>50</td>
<td>20</td>
<td>-</td>
</tr>
<tr>
<td>Sex</td>
<td>Male</td>
<td>120</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>93</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>9</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7</td>
</tr>
<tr>
<td>Education</td>
<td>Under</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Diploma</td>
<td>51</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Under graduated</td>
<td>39</td>
<td>2.7</td>
<td>7.2</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Graduated and above</td>
<td>15</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Professional knowledge</td>
<td>High</td>
<td>9</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Medium</td>
<td>78</td>
<td>2.14</td>
<td>.585</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Low</td>
<td>24</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

As you seen in the above Table 3, mean of respondents’ age in this study is 34 and less age is 20 and high age is 50 years old. It means the respondents have good experience in the bank and they are known employees. 7% on sample are female and 93% are male. diploma are most respondents with (51) and postgraduate and above are least respondents with (15).these amount are very less to the banks those who want do e-banking and set up BPR strategy , it’s because to set this strategy , banks request more high educational employees. so nobody was illiterate and under diploma. upper surface of respondents for Professional knowledge were (9) and lower surface were (24) and medium surface were (78).and also the banks those who want do BPR strategy , request to professional employee as well as knowledge.

Hypothesis Analysis
To perform of T test, all the questions have become valued with two groups of high satisfaction and opposition. and then have analyzed.(before each questions has been employed a 7-piont likert scale, fully anchored by strongly disagree at one end to strongly agree at the other).
Table No 4: result of T-test to hypothesis test by One-Sample T test

<table>
<thead>
<tr>
<th>Number</th>
<th>Hypothesis</th>
<th>F/N</th>
<th>Mean</th>
<th>Significant</th>
<th>P-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>H1</td>
<td>148</td>
<td>1.93</td>
<td>0.000</td>
<td>***</td>
</tr>
<tr>
<td>2</td>
<td>H2</td>
<td>148</td>
<td>1.92</td>
<td>0.000</td>
<td>***</td>
</tr>
<tr>
<td>3</td>
<td>H3</td>
<td>148</td>
<td>1.99</td>
<td>0.000</td>
<td>***</td>
</tr>
</tbody>
</table>

As you seen in table No 4, the result of One-Sample-T test as below:

1. **Hypothesis 1**: BPR is affective to offer novel service and goods according the customers’ requests and demands. With %99 confidence, there is a strong and significant relationship between BPR and offering novel service and goods according the customers’ requests and demands. Besides 1.93 mean shows on very much tendency and high satisfaction.

2. **Hypothesis 2**: BPR is affective to offer better services by employees. According obtained data, we can analyses that, with%99confidence there is a strong and significant relationship between BPR and offering better services by employees, then we can’t reject this hypothesis. So 1.92 mean shows on very much tendency and high satisfaction.

3. **Hypothesis 3**: IT has important role to implement of BPR: Accepted this hypothesis, it’s because there is a strong and significant relationship with %99 confidence on that, IT has important role to implement of BPR.

9. **Conclusion**
This study look into the existing relationship between BPR implementation and customer satisfaction, relationship between employee’s productivity and efficiency and satisfaction level of customer and also role of Information Technology on accomplishment of BPR.

Based on three hypothesis tested in this study, according to literature review and expert’s panel opinion, there is meaningful and strong relationship between accomplishment of BPR and IT and also customer satisfaction. Therefore, we emphasize to perform the BPR at any cost and also (to invest IT infrastructures) in Iran banking system. Because they have large number of retail customer, most of them have not benefit to the banks, and engage banks’ facilities to themselves. After this, all of their work likes to pay bills, fund transfer, and so on will do through Electronic- banking and other related technologies. Ultimately, Iran banking system will have high growth rate and can guarantee it’s survival in the long run.

**References**


