
A SURVEY OF LITERATURE REVIEW ON BANK PERFORMANCE

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Abstract: *This study analyses existing literature review studies on banking sector performance. Specially, this research aim is to identify topics of interest and development niche for this vast field. The paper presents a content analyses of 14 literature review on banking sector performance studies, selected using clear and transparency methodology. The content analysis of the papers identified that themes are diverse: banking performance and efficiency analysed using the DEA (Data Envelope Analysis) method, banking efficiency and risk, banking efficiency and competition, mobile banking and bank profitability. Based on selected papers this study identified that in recent years number of systematic literature review studies increase, in the same time traditional literature review are decreasing.*

Keywords: *Bank; Performance; Literature review*

JEL Classification: *G21; L25*

1. Introduction

The issue of banking performance is complex and delicate. In the context of severe competition and the presence of multiple risks, banking management has the responsibility of continuous analysis and ongoing assessment of behavior. Banking performance is a topic of great interest for the banking environment, extremely affected by the financial crisis. The banking environment, through its extrinsic financing function, in crisis situations played the role of shock receiver and stability provider for economic agents. The phenomenon of economic crisis has aroused the interest of researchers who have focused on studies on profitability analysis, influencing factors, as well as predictability models.

The purpose of this systematic literature review is to create a well-defined picture of existing studies in the field of banking performance. This research should answer the following questions:

- Topics of interest in this vast field?
- What are the data that formed the basis of the case studies of the research in the field?
- What are the limits of research?
- What are the questions, the hypotheses of the existing studies in correlation with the results?

Starting from these questions, we will develop a clear, transparent and reasoned methodology in search of studies relevant to our research.

2. Search strategy used

The first step of our research will be the search for studies of literature review in the field of banking performance in order to analyze and present existing studies, as well as their methodology. For this we used the platform Web of Science - Core Collection, InCites Journal Citation Reports, Derwent Innovations Index, Clarivate Analytics and we will do the search in English. This database allows an advanced search, so we searched all publications with the words: Bank next to Performance or Bank next to Profitability Bank next

to efficiency and review or survey or going on with studies. Only publications in the field of social sciences, for period 2000-2020, were selected.

3. Sample of studies

Based on the search criteria specified above, we obtained a sample of 16 studies. Below we can see the detail of the sample of studies by years, as well as the number of citations related to the studies.

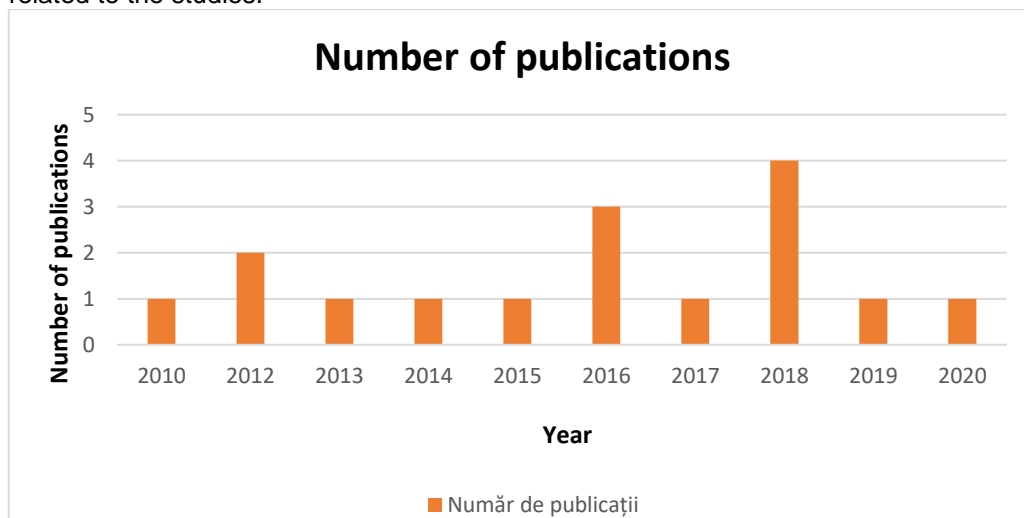


Figure 1: Number of publications presented per year

Source: prepared by the author

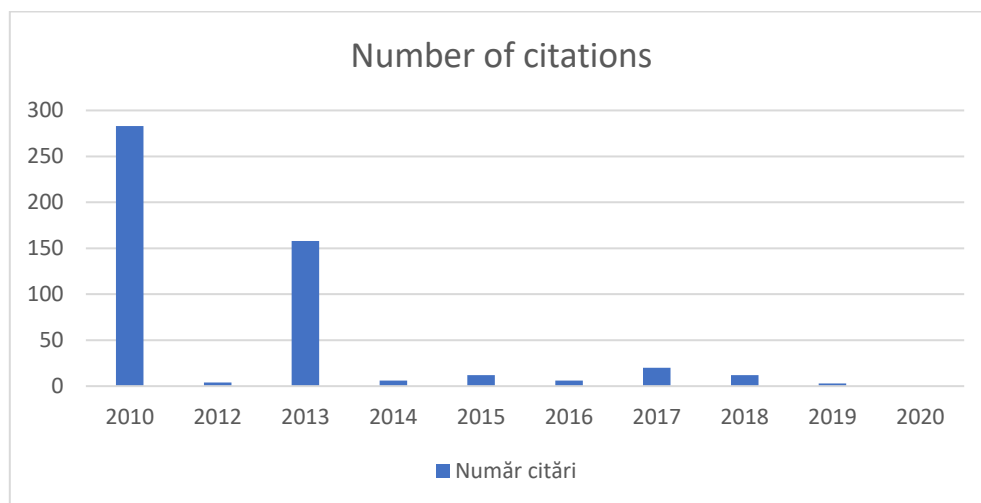


Figure 2: Number of citations of studied publications presented by years

Source: prepared by the author

From the selected sample were excluded at the time of content analysis 2 studies: Oino, I. (2018) Sheikholeslami, M. & Farkhodovich, O. F. (2012) due the fact that these studies are not a literature review study.

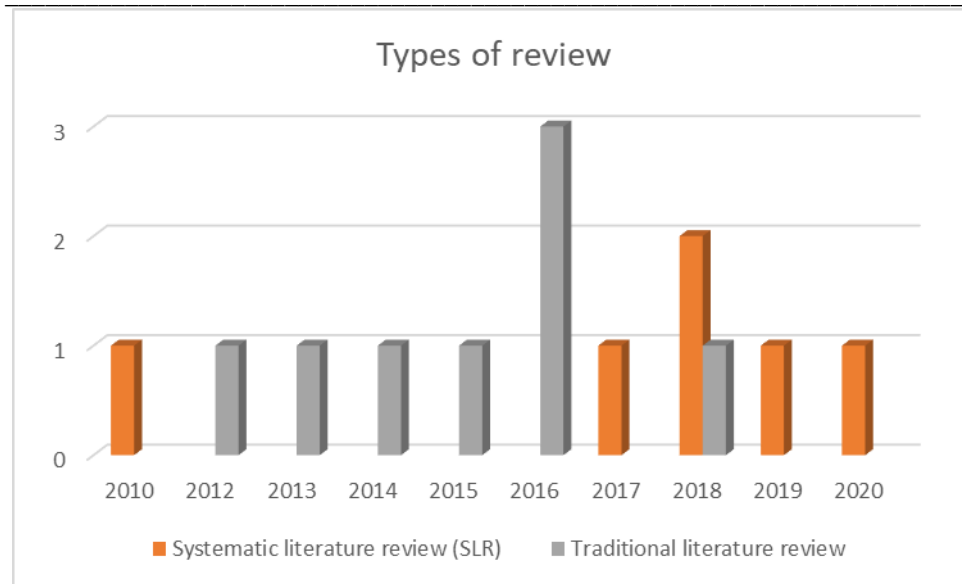


Figure 2: Types of literature reviews in analyzed sample

Source: prepared by the author

In the figure above, based on the studied works, we notice a smooth transition from the traditional literature review to the systematic literature review, in the last years 2017-2020 predominating studies based on the systematic literature review.

We must mention that our sample is a limited one due to the fact that we performed the search in a single database, but from our point of view it is a relevant one, presenting the various topics on which literature reviews were performed as well as the fact that presents the evolution of this concept from traditional to systematic. In none of the studied works is the literature on banking performance and accounting reviewed.

3. Content Analysis

4.

Autor	Article search criteria, keywords	Number of publications	Period	Literature review type	Conclusions
(Ahmad et al. 2020)	Profitability, Effect of Financial Ratio, Capital adequacy ratio (CAR), Non performing loan (NPL), Loan to deposit ratio (LDR), and Operating income operating costs (BOPO)	1996 of which 100 analyzed as content	1985-2018	Systematic literature review (SLR)	It presents a vast sample of specialized works, based on clear selection criteria. The analysis of the content of the first 100 works selected based on the number of citations revealed five basic themes: determinants, model and methods, ownership, financial crises and economies of scale. This study finds that the Journal of Banking & Finance is the leading journal in terms of number of publications and citations. The most prolific author is Allen Berger based on the dominance factor and the total number of citations. And the paper with the most citations is "Problem loans and cost efficiency in commercial banks" by Berger and DeYoung (1997).
(Andesfa and	Profitability, Effect of Financial Ratio,	26	2000-2017	Systematic literature	Based only on specialized studies, it is concluded that the Capital Adequacy

Autor	Article search criteria, keywords	Number of publications	Period	Literature review type	Conclusions
Masdupi (2018)	Capital adequacy ratio (CAR), Non performing loan (NPL), Loan to deposit ratio (LDR), and Operating income operating costs (BOPO)			review (SLR)	Ratio (CAR) and the Loan to Deposit Ratio (LDR) affect bank profitability.
(Banerjee 2012)	Not specified	Not specified	Not specified	Traditional literature review	The paper examines transnational cross-country studies on banking efficiency in the new Member States of the European Union (EU) and examines the relative efficiency ratings of each country. Different techniques and concepts of efficiency give different results for efficiency rankings, but some common points are visible. The Czech banking system is among the highest in terms of technical efficiency and profit, but the lowest in terms of cost efficiency. Banks in Slovenia and Estonia are among the most cost-effective.
(Bhatia et al. 2018)	efficiency; bank efficiency; productivity; bank productivity; parametric and bank efficiency; productivity and banks; parametric and bank productivity; non-parametric and bank efficiency and productivity; semi parametric; bank efficiency and productivity; SFA and banking; and DEA and banking.	103	1998-2017	Systematic literature review (SLR)	This study presents a systematic review of the literature in the context of bank efficiency and productivity. The selected research papers were coded according to their key objectives and were segregated into 11 themes: branch, comparison, consolidation and extension, banking regulation and deregulation, environment, input-output, methodological advances, non-traditional activities. , risk, stock performance and more.
(Dalwai, Basiruddin, and Rasid 2015)	Not specified	Not specified	Not specified	Traditional literature review	The paper analyzes the different empirical and theoretical contributions in establishing the relationship between corporate governance and banking performance.
(de Abreu, Kimura, and Sobreiro 2019)	Banking efficiency; efficiency in banking; technical efficiency; bank	87	2011-2017	Systematic literature review.	Analyzes and presents current research on banking efficiency in major finance journals. Classify studies based on study type, approach, objectives and methodology. Applying Lotka's law determines that the field of banking efficiency has a low productivity, not having a significant number of prolific authors or specialized institutions.
(Fernandes et al. 2018)	Not specified	Not specified	Not specified	Traditional literature review	It presents a review of the theoretical and empirical literature on the relationship between corporate governance and banking performance, providing a comprehensive understanding of existing research. It also touches on the issue of

Autor	Article search criteria, keywords	Number of publications	Period	Literature review type	Conclusions
					the board and its impact on banking performance.
(Fethi and Pasiouras 2010)	bank efficiency, bank and data envelopment analysis, bank performance, bank and neural networks, bank and artificial intelligence, bank and operational (or operations) re-search	196	1998-2009	Systematic literature review.	This study presents a comprehensive review of 196 studies using operational research techniques (O.R.) and artificial intelligence techniques (A.I.) in assessing banking performance.
(Jia 2016)	Not specified	20	Not specified	Traditional literature review	This study examines twenty research articles on banking efficiency in China.
(Kumar and Gulati 2014)	Not specified	Not specified	Not specified	Traditional literature review	This chapter presents a survey of the empirical literature on bank efficiency. It is concluded that the bank's efficiency score may differ completely due to the measurement technique and there is virtually no consensus on the preferred method of estimating the bank's efficiency.
(Paradi and Zhu 2013)	Not specified	80	Din 1985	Traditional literature review	This study analyzes 80 researches on banking performance and efficiency analyzed using the DEA (data envelope analysis) method published in 24 countries / areas that focus mainly on bank branches.
(Tam and Oliviera 2017)	mobile banking; m-banking	64	2002-2016	Systematic literature review (SLR)	Analyzes and presents studies on mobile-banking and banking performance. The obtained results indicate that the subject of mobile-banking implementation and behavioral intent dominate most research, but we find very few studies on post-implementation.
(Tan 2016b)	Not specified	Not specified	Not specified	Traditional literature review	This chapter mainly reviews the empirical literature on banking efficiency and competition. Study the two aspects at the international level, then limiting yourself to one country - China. Finally, this chapter examines relevant theories and studies on the impact of competition on banking efficiency.
(Tan 2016a)	Not specified	Not specified	Not specified	Traditional literature review	This chapter studies the literature on banking efficiency and risk, presenting relevant aspects for each of these 2 areas as well as the close connection between them.

Table no. 1 Analysis of the review works of the specialized literature on bank profitability.

Source: prepared by the author

According to the table above, we notice that most of the studied works present a traditional literature review, and it does not present clear criteria regarding the selection criteria of the analyzed literature. At the same time we notice that in recent years number of systematic literature review studies increase, in the same time traditional literature review are decreasing.

The topics on which these empirical studies were conducted are diverse: banking performance and efficiency analyzed using the DEA (Data Envelope Analysis) method, banking efficiency and risk, banking efficiency and competition, mobile banking and bank profitability. Many of the studies analyzed refer to the banking system from China. Analyzing the existing literature review on bank performance topic, it is surprising that none of the papers address the topic of accounting and bank performance.

5. Conclusions

The purpose of this study is to create a well-defined picture of existing studies in the field of banking performance. Analyzing sample of selected studies, we identified that the topics for existing literature review studies are diverse: banking performance and efficiency analyzed using the DEA method, banking efficiency and risk, banking efficiency and competition, mobile banking and bank profitability. Most of the studies refer to the banking system from China. We must mention that our sample is a limited one due to the fact that we performed the search in a single database, but from our point of view it is a relevant one, presenting the various topics on which literature reviews were performed as well as the fact that presents the evolution of this concept from traditional to systematic. In none of the studied works is the literature on banking performance and accounting reviewed.

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