Diversity of Banking Operations the Basis to Upgrade of Banking Performance

– A Case Study of the National Bank of Algeria During the Period 2015-2019 –

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تنوع العمليات البنكية أساس الارتقاء بالأداء البنكي

" دراسة حالة البنك الوطني الجزائري خلال الفترة 2015–2019 "

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Abstract:

The objective of this academic research is to present the different concepts related to banking operations, then to give a complete overview and summary of the National Bank of Algeria and the different stages of its development since its creation, then to know the different banking operations carried out by it, traditional and electronic, then to present and analyze the banking performance indicators of the bank during the period 2015-2019. We concluded that the National Bank of Algeria carries out a variety of banking operations, traditional and electronic, multiple and directed for the benefit of clients of different categories, which would allow them to achieve efficient banking performance.

Keywords: Banking Operations, Banking Performance, the National Bank of Algeria (BNA).

(JEL) Classification : G21 ; G24 ; G29.

ملخص:

يهدف هذا البحث الأكاديمي إلى تقديم مختلف المفاهيم المتعلقة بالعمليات البنكية، ثم إعطاء لمحة شاملة ومختصرة عن البنك الوطني الجزائري وعن مختلف مراحل تطوره منذ تأسيسه، ثم التعرف على مختلف العمليات البنكية التي يقوم بها، التقليدية أو الإلكترونية، ثم تقديم وتحليل مؤشرات الأداء البنكي، للبنك خلال الفترة 2015-2019. استخلصنا أن البنك الوطني الجزائري يقوم بمجموعة متنوعة من العمليات البنكية، التقليدية والإلكترونية، المتعددة والموجهة لفائدة الزبائن من مختلف الفئات، والتي من شأنها تحقيق أداء بنكي فعال.

الكلمات المفتاحية: العمليات البنكية، الأداء البنكي، البنك الوطني الجزائري (BNA).

الترميز الاقتصادي (JEL): G21؛ G24؛ G29.

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I- Introduction:

Banking has a great importance in the economic life of countries, where it is difficult in practice to have any economic activity whatsoever (commercial, industrial, Services), which takes place and operates without the intervention of banking institutions either to provide the necessary financing or through the means of payment. Banking institutions help to boost economic growth, by helping industry, traders and others to complete their projects effectively and accurately, especially in light of the development, growth, and prosperity of advanced global economies that dominate international trade and world markets. However, banking operations are traditionally done manually and with traditional methods, and some are using electronic media and electronic means. The multiplicity and diversity of banking operations, traditional and electronic, carried out by banking institutions lead to the development and growth of the prosperity of the banking activity, and therefore to the achievement of banking performance.

Among the existing public commercial banks in the Algerian banking ground, we find the National Bank of Algeria, whose experience and competitiveness have forced its high performance to remain in a highly competitive environment involving national public, private and foreign banking institutions. The National Bank of Algeria is a leader in many fields, private, professional, industrial, small and medium-sized enterprises and even in terms of foreign trade, through its effective financing strategies, on the one hand, and the multiplicity and diversity of its various banking operations with the various areas mentioned above, on the other hand.

Therefore, we ask the following main question:

What are the most important banking operations accomplished by the National Bank of Algeria that lead to the development of its banking activity, and therefore to the achievement of its banking performance?

Through the main question, the following sub-questions can be asked:

- What are the most important key characteristics of banking operations؟
- Through which process the Algerian National Bank has enabled it to develop distinct banking operations؟
- What are the most important traditional banking operations and electronic banking operations achieved by the National Bank of Algeria, and that would achieve banking performance?

Based on the main question and the sub-questions, the following hypotheses can be provided:

- Banking operations have fundamental characteristics that are distinct from other operations, therefore that banking institutions are unique in doing them unlike other institutions active in the national economy;
- Since its inception, the National Bank of Algeria has gone through several important stages that have enabled it to develop banking operations that are distinct from other banking institutions;
- The National Bank of Algeria conducts several bank operations, including traditional and online operations, and that would achieve banking performance.

The importance of this research is to address the most important banking operations of the National Bank of Algeria in the framework of its transactions with other economic agents, including the traditional ones such as providing credit grants, receiving deposits, providing traditional means of payment and opening and managing bank accounts. And the electronic operations, such as the provision of electronic credit cards and electronic transfer of funds. The diversity and multiplicity of these banking operations will help achieve the banking performance of the National Bank of Algeria.

This research seeks to achieve the following objectives:

- Providing the overall concept of banking operations, with the presentation of its most significant features;
- Give a comprehensive overview of the National Bank of Algeria, citing the most important stages that it has gone through, which enabled it to develop distinct banking operations;
- Presentation of various traditional and electronic banking operations carried out by the National Bank of Algeria, and that allows him to achieve banking performance.

In order to identify the different aspects of the research, we will rely on the descriptive and the analytical approaches to the description and analysis of various dimensions of the subject, initially by describing banking operations by giving holistic concept to it, presenting the different characteristics, and describing the National Bank of Algeria, then analyzing its most important stages of development, and its most important operations, both traditional and electronic. And finally we present and analyze the different banking performance indicators of the bank understudy.

Through what has been mentioned earlier and to study the fundamental question and to answer sub-questions, the research can be divided into three main elements as follows:

- The concept of banking operations.
- National Bank of Algeria banking operations.
- Banking performance indicators of the National Bank of Algeria for the period 2015-2019.

1. The concept of banking operations and banking performance:

The diversified banking operations are the mirror of the recovery and strength of the development of the activity of banking institutions, especially with the trend of the latter to carry out comprehensive banking operations, with the use of electronic devices that have been created for the existence of electronic banking operations unlike traditional banking operations.

1.1. Definitions of banking operations and banking performance:

Banking operations generally consist of accepting customer deposits and granting loans with interest, in addition to renting iron safes and providing payment methods such as checks, transferring funds and others (Goddard & Wilson, 2016, p. 1). There are also other banking operations carried out by banking institutions, such as foreign exchange operations, investment of funds, advice to clients, in addition to project financing, insurance services, the granting of financial guarantees, financing of companies and granting of loans to individuals and projects and commercial loans (Aithal, 2016, pp. 46-47) (Mbuya, 2008, pp. 136-137).

Banking operations are all operations achieved by banking institutions in their transactions with customers (Regulation 09-03 of May 26, 2009), and directed and provided to them in the form of banking services, including what is provided free of charge, such as base banking operations such as opening and closing accounts and granting the chequebooks and savings book, including what is provided in exchange for commission It is deducted by the banking institution, such as foreign trade-related banking operations (Regulation 13-01 of April 8, 2013). Banking operations include receiving funds from the public and loan operations, opening bank accounts, placing payment methods at the disposal of customers, managing these means and transferring funds (Order 03-11 of August 26, 2003).

Banking institutions can accomplish all transactions related to their banking activities, such as exchanges and operations on gold, precious metals and precious coins, and to employ movable values such as bonds, shares and each financial product, and subscribe, buy, manage, save and sell, in addition to Consultation and assistance in the field of the management of movable and non-movable property, financial consultation, financial management, financial engineering and generally all services directed to facilitate the establishment and development of institutions and equipment (Order 10-04 of August 26, 2010) (Sangale, Salve, & Mulani, 2013, pp. 1.1-1.3).

Banking operations are the operations of banking institutions, including classical ones such as receiving public deposits, granting credit, and providing multiple payment methods while carrying out payment orders; and modern ones such as providing information and consulting to clients and helping them to take decisions related to their investment projects, financing projects of various kinds, carrying out multiple insurance operations, granting financial guarantees, foreign trade operations, making multiple financial investments and other modern banking businesses.

The term banking performance is the adoption of a set of financial and non-financial indicators that indicate the current situation of the banking institution and its ability to achieve the desired and highlighted objectives. Therefore, banking performance can be defined as a reflection of the way in which the resources of the banking institution are used to enable it to achieve its objectives.

1.2. The fundamental characteristics of banking operations:

Banking operations' characteristics (Al Shabib, 2015, pp. 44-45) (Boukaban, 2017, pp. 31-39) (Khalil, 2014, pp. 20-21):

- Banking operations are business by topic;
- Banking operations are commercial contracts developed in the form of bank simple models;
- Banking operations are characterized by acquiescence and are therefore of a typical nature;
- Banking operations use terms associated with banking, which give them technical status;
- Banking operations are unique to banking institutions, and are the result of custom and banking habits;
- Banking operations are ordered by the legislature;
- Banking operations contained two types of activities, banking services and banking facilities;
- Banking operations of pluralism and diversity and that's according to the type of activity are allocated banking institutions;
- Banking transactions are implicitly a movement of funds between banking institutions and their customers;
- Banking operations are intangible and non-storage services;
- Banking operations are globally standardized at the level of banking institutions around the world;
- Banking operations are the only unique to banking institutions (Sangale, Salve, & Mulani, 2013, p. 1.6);
- Banking operations based on mutual trust between the bank and its customers (Aithal, 2016, p. 51);
- Banking operations comprise a wide variety of risks (Faure, 2013, p. 72).

2. National Bank of Algeria's banking operations:

Among the banking institutions located in the Algerian economic, banking and financial arena, we find the National Bank of Algeria, which has always sought to improve its performance to maintain its share of the Algerian banking market by conducting a variety of banking operations.

2.1. Overview about National Bank of Algeria:

The National Bank of Algeria is a public, commercial bank established in 1966 under Order No. 66/178 on 13/06/1966 to replace five foreign banks (Real Estate Loan for Algeria and Tunisia, Commercial Industrial Loan, National Bank of Trade and Industry of Africa, Bank of Paris and The Netherlands, discount camp office) in which it is incorporated on different dates, and exercises all the functions of the commercial bank (Latrech, 2005, p. 188) (HACINI & DAHOU, 2018, pp. 148-149). Its headquarters (General Directorate) on Ernesto Che Guevara Street in Algiers, it is a company with shares with an estimated capital of 150.000 million Algerian dinars, whose overall structure consists of: General Director, Secretariat, 2 inspectors, 7 departments, 26 directorates, 19 regional directorates for exploitation and 216 commercial agencies spread across the national territory, with 145 DAB cash dealers, 99 GAB automated nets, more than 5000 employees, hundreds of institutions have subscription to edit, 236169 bank cards, 2839525 customer accounts, 43000 BNA.net subscribers, 4600 electronic payment terminals (TPE) in use, 1 digital agency, 214 Bank insurance counters, 13 web merchant (La Banque Nationale D'Algérie, 2018, p. 8; p. 10) (Le site électronique de la BNA, 2016).

The National Bank of Algeria is targeted through banking operations carried out by several categories of customers in various fields and public and private sectors, including individuals, private individuals, professionals, small and medium enterprises, small and medium industries, large institutions, public institutions and others. The National Bank of Algeria has numerous branches and contributions to several banks and financial institutions inside and outside the country, as follows (La Banque Nationale D'Algérie, 2016, p. 12):

- Inside the state: Bank Deposit Guarantee Fund; Institute of Banking Formation; Security Services and Equipment Company; Automated Cash and Automatic Interbank Relations; Algerian Insurance and Export Guarantee Company; Algeria Settlement Company; Hotel Investment Company; Algerian Higher Financial Institute; Investment Loan Guarantee Fund; Pre-Bank Clearing House; Mortgage Loan Guarantee Company; Transferable Values Exchange Management Company; Financial Investment Corporation; Mutual Solidarity Fund to Ensure Risk of Loans/Mutual Loans; Solidarity Fund for Microcredit; Support Loan Risk Guarantee; National Rental Credit Company; Real Estate Upgrade Company; Interbank Management and Real Estate Services Company; Algerian Gulf Life Insurance Company;
- Outside the state: Algerian Foreign Trade Bank; Arab Maghreb Investment and Trade Bank; Arab Trade Finance Program; Islamic Private Sector Development Company; Arab Maghreb Trading Company; Global Interbank Banking Company.

There are several stages that have characterized the development of the National Bank of Algeria since its inception in 1966 to the present day, and this has led to the development of the bank's operations, which can be summarized at the following time points (the Web Site of BNA, 2016):

- On 13 June 1966, the first national commercial bank established in Algeria was the BNA, where it conducted all licensed activities of commercial banks with the network, and also specialized in financing the agricultural sector (HACINI & DAHOU, 2018, p. 148);
- In 1982, the National Bank of Algeria was restructured, with the establishment of a new specialized bank, the Bank for Agriculture and Rural Development, whose primary task is to ensure financing and develop the agricultural field (HACINI & DAHOU, 2018, p. 150);
- In 1988, law No. 88/01 was passed, which included directing economic institutions towards self-management, which had an impact on the organization and functions of the BNA, the most important of which was the bank's freedom to take institutional financial decisions and to turn the bank into a stock company with an estimated capital of 8 billion Algerian Dinars;
- In 1990, the Law 90/10 on cash and loan was passed, under which the National Bank of Algeria is considered as a moral person, performing as a normal profession all the processes related to the receipt of people's money, loan operations and also placing the means of payment and management at the disposal of customers (Law 90-10 of April 14, 1990);
- In 1995, the National Bank of Algeria was the first bank to be accredited, following the deliberation of the Money and Loan Board on 05 September 1995;
- In 2008, the National Bank of Algeria launched the bank insurance service in cooperation with the National Insurance Company SAA, the Algerian Insurance Company CAAT and the Algerian Insurance and Reinsurance Company (CAAR) (La Banque BNA, 2018, p. 16);
- In June 2009, the capital of the National Bank of Algeria was raised from 14.600 million Algerian dinars to 41.600 million Algerian dinars;

- In 2013, the National Bank of Algeria launched new bank insurance services in collaboration with the SAA, the CAAT, the CAAR, and several branches of the aforementioned insurance companies (La Banque BNA, 2018, p. 16);
- In 2015, the National Bank of Algeria acquired a stake in a new life and health insurance company (AGLIC) and decided on the same date to establish a local headquarters for "bank insurance" at the local level (La Banque BNA, 2018, p. 16);
- In the first six months of 2016, the first TPE electronic payment finals were installed at the agency level of the National Insurance Company SAA and CNRC in order to collect their dues electronically from customers via interbank magnetic cards (La BNA, 2016, p. 5);
- In the first six months of 2016, the National Bank of Algeria, through all its commercial agencies across the country, undertook the underwriting of public treasury bonds through the process called "National Borrowing for Economic Growth" for the public treasury to finance public investment projects (La BNA, 2016, p. 8);
- In the first six months of 2016, The National Bank of Algeria updated its website by redesigning it to make it a simple electronic access point for customers to view the banking services provided by the Bank (La Banque BNA, 2016, p. 6);
- In the second six months of 2016, the first TPE finals were installed at the level of Mobilis agencies in order to collect their dues electronically from customers via CIB magnetic cards (La Banque BNA, 2016, p. 5);
- In 2017, TPE was installed at the level of agencies of many economic institutions from the National Railway Transport Corporation, The Sonelgaz Foundation, Metro of Algeria and the National Fund for Agricultural Solidarity, in order to collect their dues electronically from customers through CIB magnetic cards (La Banque BNA, 2017, pp. 4-7);
- In the first six months of 2017, the BNA launched a new service called "The National Bank of Algeria.net" is a new service geared to private and institutional services that allows customers to conduct almost all banking transactions through the Internet, mainly to see balances and transfers from one account to another and request chequebooks with the possibility of downloading various bank documents and benefiting from the services of E-mails, this service also proposes a service to pay taxes remotely and transfer salaries for organizations (The National Bank of Algeria: all services online, 2017);
- In 2018, the National Bank of Algeria launched Islamic banking by launching an Islamic window at the level of some of the bank's agencies (La BNA, 2018, p. 33);
- In June 2018, the capital of the BNA was raised from 41.600 million Algerian dinars to 150.000 million Algerian dinars (La Banque Nationale D'Algérie, 2018, p. 10);
- In the second six months of 2018, the National Bank of Algeria BNA launched the first digital banking agency in Algeria, allowing customer's access to various services available in classical banking agencies, but through self-use, through large digital screens placed within the banking agency (Liearash, 2018).

2.2. Banking Operations of the National Bank of Algeria:

The bank conducts several daily traditional banking operations as follows (The web site of BNA, 2016):

- Granting exploitation, investment, financial lease and real estate loans to individuals for private, industrial, small, medium and large enterprises;
- Granting consumer loans to individuals;
- Supporting The National Youth Support and Employment Agency, the National Unemployment Insurance Fund and the National Microloan Management Agency;
- Receiving term deposits for properties, industries, small, medium and large enterprises;
- Granting treasury permissions to properties, industries, small, medium and large enterprises;

◆ Discount, mortgage, guarantee and trade in commercial securities;
◆ Opening the check account and current account in national currency and in hard currency for properties, industries and institutions;
◆ Opening a saving book account for individuals for properties, industries, small, medium and large enterprises;
◆ Iron safe rentals for individuals, industries, small, medium and large enterprises;
◆ Opening the cub-savings book account for individuals and properties;
◆ Interbank clearing operations;
◆ Multi-direction transfer of funds to institutions of various types;
◆ Service of financial transfers for individuals for private sectors, industries, small and medium-sized enterprises and large enterprises;
◆ Various insurance services for individuals for private, industrial, small and medium enterprises and large enterprises.

The bank also conducts several daily traditional banking operations as follows (The web site of BNA, 2016):

◆ Granting the letter of credit and documentary loan to institutions of various types, as well as documentary collection;
◆ Service of international financial transfers to institutions of various types;
◆ Insurance service for people traveling abroad for individuals, for private and institutions of various types;
◆ Insurance service for goods exported and imported to various types of enterprises.

The bank also conducts several daily electronic banking as follows (The web site of BNA, 2016):

◆ Providing and granting magnetic cards for savings;
◆ Provision and granting of magnetic cards between banks for withdrawal and payment;
◆ Provision and granting magnetic cards between private banks;
◆ Providing and granting electronic payment terminals (TPE) service to private traders and businesses through which their income are collected electronically;
◆ Internet and mobile banking services, and web assistance for customers;
◆TEF, Electronic Funds Transfer Service for customers;
◆ Electronic interbank clearing service;
◆ Send the check via the electronic image;
◆ Service “National Bank of Algeria.net” allows customers to conduct some banking operations through the Internet, such as checking balances, transfers and requesting chequebooks with the possibility of downloading various bank documents, using mailing services, remote payment of taxes service and salary transfer for organizations (The National Bank of Algeria: all services online, 2017);
◆ The digital agency service, which allows customers to access the various services available in classical agencies, but through self-use, through large digital screens positioned within the agency (Liearash, 2018).

The National Bank of Algeria also conducts several daily electronic banking operations as follows (Le site électronique de la BNA, 2016):

◆ Swift electronic international financial transfer service for institutions and properties.
◆ Providing an international ATM card to various customers of the National Bank of Algeria, by providing MasterCard and Visa Card service under contracts with international credit card issuers;

3. Banking performance indicators of the National Bank of Algeria for the period 2015-2019:

The diversity and multiplicity of banking operations necessarily lead to the development and growth of the performance (financial and non-financial) of banking institutions.

We will analyze the evolution of the main banking performance indicators of the National Bank of Algeria over the period 2015-2019.

3.1. Comparison of banking performance indicators (according to some activities in the bank) between 2015 and 2019:

3.1.1. COMMERCIAL ACTIVITY:

Resource Collection: The overall level of polarized resources (short, medium, and long-term) of the bank from customers decreased during 2016 by 54.242 billion DA compared to the previous year. This diminishing performance is due to the bank's inability to attract many and varied deposits from various categories of customers, the public sector and the private sector, which could be due to the weak marketing policy pursued by the bank during this year, or the intense competition against it by other active banks in Algeria.

Bancarisation: During the year 2016, the National Bank of Algeria opened nearly 80.332 new accounts for new customers, of all types, due to the facilitation measures in opening bank accounts for different customers, and diversifying the offers it offers, especially those related to savings services, except that as previously mentioned in the paragraph Previously, the total polarized resources this year were less than in 2015.

Customer uses: This year (2016), the volume of loans granted to clients of different groups (public and private sector) decreased compared to the previous year, and this could be due to the low levels of customers' production and thus their reluctance to take loans from the bank, and also due to the state's support to customers directly from the public treasury.

3.1.2. MONETIC ACTIVITY:

The year 2016 saw the expansion of the Algerian National Bank to its electronic basic structure so that the bank installed six automatic cash dispensing machines through some of its branches, and this process took place in preparation for the installation of automatic ticket dispensing machines in the future, and this is part of the bank's modernization and development plan.

3.1.3. HUMAN RESSOURCES:

The number of bank employees reached 5288 employees in 2016, compared to 5250 employees in 2015, and most of the employees have higher university degrees that the bank has attracted and invested in them through training and ability to meet its needs in various interests, in particular commercial, the skilled workforce helps the bank to improve The performance of the bank in various commercial, financial and marketing activities.

3.1.4. FINANCIAL ACTIVITY:

Banking net Product (BNP): The National Bank of Algeria realized a net banking product of 103.559 MDA in 2016 against 116.641 MDA in 2015, due to the drop for interest received on liabilities, and therefore a drop in the net margin of interests.

Net Result: The National Bank of Algeria achieved in 2016 a net profit of 31420 MDA, while in 2015 it achieved a net profit of 29537 MDA, this increase in the result indicates the improvement in the financial performance of the bank because of the improvement and diversity of its banking operations.

Total Balance Sheet: The total Balance Sheet of the National Bank of Algeria during the year 2016 amounted to 284.3371 billion Algerian dinars, compared to the total budget of the bank during the year 2015 the value of 2.719.081 billion Algerian dinars, this increase is due to the increase in assets and liabilities of the National Bank of Algeria.

3.2. Comparison of banking performance indicators (according to some activities in the bank) between 2016 and 2017:

3.2.1. COMMERCIAL ACTIVITY:

Resource Collection: During 2017, the National Bank of Algeria managed to record a 9.13% improvement in the volume of polarized resources compared to 2016. The volume of polarized resources increased from 1.556.522 billion DA to 1.708.524 billion DA. This improvement can be explained by the multiple measures implemented during this fiscal year to seize new market opportunities, which enabled it to maintain its market share.

Bancarisation: During 2017, the National Bank of Algeria opened nearly 78.527 new accounts for new customers of all types, due to the measures to facilitate the opening of bank accounts for different customers, and the diversity of offers it offers, in particular those linked to savings services, in the context of procedures for exploring and expanding the network of the Algerian National Bank, which has enabled an increase in the bank's client portfolio..

Customer uses: This year, the volume of loans granted to customers of different groups (public and private sector) increased by 240.111 MDA compared to the previous year, and this may be due to the high production levels of customers and therefore to their efforts to obtain loans from the bank, in addition to the measures the bank has taken through commercial approaches Varied and continuous support and diversified financing solutions to meet the needs and expectations of customers, especially the private sector and SMEs / SMIs.

3.2.2. MONETIC ACTIVITY:

The year 2017 saw the expansion of the National Bank of Algeria in its electronic infrastructure, where the bank installed six automatic banking machines (ATMs) in some of its branches. During this year, the National Bank of Algeria also launched a new banking product on the site "BNA.net"; intensified the network of recipients of electronic distance payment services; circulate the IPC to clients. In addition, the bank has accelerated its efforts to develop new products adapted to customer needs, in particular: the “MobilGab” service, which provides access to the bank balance, transfers between banks from mobile phones; the "VISA" card, offers to issue and accept VISA International cards at BNA ATMs; the launch of the SMS card service in 2018; completion of the savings book preparation project.

3.2.3. HUMAN RESSOURCES:

The number of bank employees reached 4950 in 2017, compared to 5288 employees in 2016, a decrease of 4.27%. The Algerian National Bank continued to implement its new strategy aimed at improving the quality of its human resources in order to adapt it to the new requirements of banking activity and the needs induced by the development and modernization process, which is involved. This approach is based on a quality employment policy supported by targeted and adapted training implemented in partnership with renowned institutions.

3.2.4. FINANCIAL ACTIVITY:

Banking net Product (BNP): The National Bank of Algeria realized a net banking product worth 78.232 MDA in 2017 against 103.559 MDA in 2016, due to the drop in interest received on liabilities, in addition to the loss of a large portfolio of liabilities.

Net Result: In 2017, the National Bank of Algeria declared a net profit of 29987 MDA, while 2016 achieved a net profit of 31.420 MDA, a drop of 4.5%, due to a drop in the financial performance of the bank.

Total Balance Sheet: The total Balance Sheet of the National Bank of Algeria during the year 2017 amounted to 2.828.633 billion Algerian dinars, compared to the total budget of the bank in 2016 with a value of 2.843.371 billion Algerian dinars, and this decrease is due to the decrease in assets and liabilities of the National Bank of Algeria.

3.3. Comparison of banking performance indicators (according to some activities in the bank) between 2017 and 2018:

3.3.1. COMMERCIAL ACTIVITY:

Resource Collection: The overall level of polarized resources (short, medium and long term) of customers during this year increased by 141.199 billion DA compared to the previous year, an increase of 8.26%, and this increased performance is due to the capacity from the bank to attract many different deposits from different categories of customers, from the public and private sector, This may be due to the strength of the bank's marketing policy during this year.

Bancarisation: In 2018, the Algerian National Bank opened around 108425 new accounts for new customers of all types, reaching 2780481 accounts in 2018 compared to 2672056 accounts in 2017, which corresponds to a variation of 4%, due to the policy of procedures for exploration for new clients, in particular For small and medium-sized enterprises, as well as to facilitate account opening procedures, the bank's client portfolio is progressing positively. This performance is mainly ensured by a change in the number of savings books opened, as well as by an increase in the number of current accounts and checks. This increase is due to the measures to facilitate the opening of bank accounts for different customers and to the variety of offers it offers.

Customer uses: This year, the credit distribution activity was dynamic by the National Bank of Algeria, the volume of credits granted to customers of different groups (public and private sector) having increased compared to the previous year, with an increase of 381.663 million dinars (13.95%), and this may be due to higher production levels for customers and therefore their desire to obtain credits from the bank, the latter increasing direct credits, uses of the market, the signature obligations, as well as the commercial procedures that it performs for the benefit of its customers.

3.3.2. MONETIC ACTIVITY:

The year 2018 knew a qualitative leap in the expansion of the National Bank of Algeria in its basic electronic base, where it installed 2 ATMs in some of its branches, and it opened the first digital branch, providing a set of services accessible to all aimed at fostering closer relationships with customers; through the launch of works aimed at expanding the bank card group with new offers. The number of members of the BNA.net service increased by 22.69%, to 41.158 joint accounts at the end of 2018, compared to 33.545 accounts in 2017. In addition, the bank acquired a new tool to supervise and manage the BNA.net platform " P2B Portal "Implements new services, in 2019, and extends its banking services to BNA.net, which are: electronic banking services "pay to the bank": which offer better access to owners of huge bills in national accounts via several accounts; SMS: "Authorize bank customers to receive periodic notification of account balance by SMS on mobile, SMS alert on minimum balance, transaction amount and debit balance,"BNA @ TIC" service: a mobile application downloadable which allows remote access to banking services.

3.3.3. HUMAN RESSOURCES:

The number of bank employees reached 5,115 employees in 2018, compared to 4,950 employees in 2017, an increase of 165 employees. 311 employees (156 managers, 135 supervisors, and 20 performers) were employed in exchange for the departure registration from 146 customers. The bank also continued to train and support employees, relying mainly on the commercial aspect of the banking activity with a more marked interest in the operating network.

3.3.4. FINANCIAL ACTIVITY:

Banking net Product (BNP): The National Bank of Algeria recorded an increase in net banking product of + 22.26% compared to the previous year by 95.705 million dinars. This is due to the development of commercial activities in terms of interest margin.

Net Result: In 2018, the National Bank of Algeria declared a net profit of 35.832 billion DA, achieving a growth of 19.49% compared to 2017, and this increase in the result indicates an improvement in the financial performance of the bank due to the improvement and diversification of its banking operations.

Total Balance Sheet: The total Balance Sheet of the National Bank of Algeria during the year 2018 amounted to 3.022.299 billion Algerian dinars, an increase of 8.97% compared to 2017, which strengthened the size of the bank and its financial strength. This increase is due to the increase in assets and liabilities of the National Bank of Algeria.

3.4. Comparison of banking performance indicators (according to some activities in the bank) between 2018 and 2019:

3.4.1. COMMERCIAL ACTIVITY:

Bancarisation: The number of customer accounts at the National Bank of Algeria in 2019 increased to 2.839.525 accounts against 2.780.481 accounts in 2018. This is due to the policy of attracting customers from different categories (public and private sectors). In addition, two new bank branches were opened in 2019.

3.4.2. MONETIC ACTIVITY:

In 2019, the National Bank of Algeria installed two automatic ATM networks and the number of interbank CIB cards reached 236.169 this year compared to 234.122 in the previous year. The number of subscribers to the BNA.net service reached 43.000 registered this year compared to 41,158 registered the previous year; the number of electronic payment terminals in service reached 4600 in 2019, compared to 3771 in 2018.

II- Results and discussion :

Thus, the National Bank of Algeria performs several banking transactions daily for its customers in different categories. These banking transactions, including those carried out by traditional methods, and those carried out by electronic methods.

Among the traditional banking operations, we find: granting exploitation and investment loans, granting financial lease loans, granting real estate and consumer loans, receiving term deposits, granting the letter of credit and documentary loan, as well as documentary collection, discount, mortgage, guarantee and trade in commercial securities, opening the check account and a current account in national currency and in foreign currencies, opening a saving book account, opening the cub-savings book account, iron safe rentals, interbank clearing operations, service of financial transfers, multi-directional transfer of funds, service of international financial transfers, various insurance services, including insurance for people traveling abroad, insurance for exported and imported goods for different types of businesses.

As for electronic banking operations, we find: provision and granting of different magnetic cards between banks for withdrawal and payment, providing an international ATM card to various customers of the bank, swift electronic international financial transfer service, providing and granting TPE electronic payment terminators service, internet and mobile banking services, and web help for customers, TEF electronic funds transfer service for customers, electronic interbank clearing service, send the check via the electronic image, service “national bank of Algeria.net”, the digital agency service.

Therefore, we noted a notable evolution of the banking performance indicators (both financial and non-financial) of the Algerian National Bank during the period 2015-2019, these indicators reflecting the development of the various banking operations oriented towards various economic activities (individuals, commercial, industrial, services,…etc.). The diversity and multiplicity of banking operations have an important and important role in improving the banking performance of banking institutions, in particular the National Bank of Algeria, and this is what we observed by presenting and studying its different indicators during the 2015-2019 period.

III- Conclusion:

Since its establishment, the National Bank of Algeria has attempted to achieve banking leadership and performance, and thus to contribute to the advancement of the national economy by targeting as many segments of society as possible across different categories. It serves individuals, professionals, small and medium industries and SMEs. It has a multi-diversified banking operations target various sectors and fields of economic, commercial, financial, services, exploration, agriculture and others. The bank's operations are not limited to the traditional ones, but have evolved and spread, through electronic media. This is due to the requirements and necessities of economic and financial globalization, which is characterized by speed and quality, which is achieved through electronic methods rather than traditional ones, this is what has earned the National Bank of Algeria an exceptional and efficient banking performance over the 2015-2019 period.

However, through this research, we concluded that many banking operations are not achieved by the National Bank of Algeria. Therefore the bank is not in the rank of comprehensive banks. What we recommend to be accomplished are the banking operations that the bank does not perform, whether traditional or electronic, of between them we mention:

- Funds placement in investment within the banking system;
- Granting financial credit and deducting documentary bills;
- Manage the property of its clients such as collecting dividends and interest on bonds in their favor, and selling shares and bonds of joint stock companies;
- Providing advisory and investment services for stock speculation;
- Financial advice, financial management, engineering and all services that facilitate the establishment and development of enterprises within the framework of the legal rules and conditions governing liberal professions;
- Entering into contributions either in existing institutions or in the way of construction without exceeding certain limits (half of the private funds);
- Operations on gold, precious metals and precious metal pieces;
- Foreign currency advances;
- Overseas inventory financing, buyer loan, supplier loan, and equity financing;
- International lease loan and trade in the international market for precious metals;
- Western Union Transfer System;
- Electronic bill, opening electronic accounts, and granting electronic documentary credit.

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Appendix:

Table 1: Financial performance indicators for the year 2015

Financial Aggregates en Millions DA						
Owned funds	Total assets	Banking net Product (BNP)	exploitation result	net result	customer resources	Customer uses
292 376	2 719 081	116 641	41 703	29 537	1 619 764	1 516 086
Main Ratios						
Owned funds rentability	assets rentability	solvency ratio	Exploitation coefficient	net result / BNP	wages mass / BNP	
10,10%	1,09%	22,30%	15,73%	25,32%	5,88%	

The source : (La Banque Nationale D'Algérie, 2015, p. 12).

Table 2: Financial performance indicators for the year 2016

Financial Aggregates en Millions DA						
Owned funds	Total assets	Banking net Product (BNP)	exploitation result	net result	customer resources	Customer uses
316 490	2 843 371	103 559	43 890	31 420	1 565 522	1 410 164
Main Ratios						
Owned funds rentability	assets rentability	solvency ratio	Exploitation coefficient	net result / BNP	wages mass / BNP	
9,93%	1,11%	25,32%	22,00%	30,34%	6,9%	

The source : (La Banque Nationale D'Algérie, 2016, p. 14).

Table 3: Financial performance indicators for the year 2017

Financial Aggregates en Millions DA						
Owned funds	Total assets	Banking net Product (BNP)	exploitation result	net result	customer resources	Customer uses
530 701	2 828 633	78 282	41 365	29 987	1 708 524	1 650 275
Main Ratios						
Owned funds rentability	assets rentability	solvency ratio	Exploitation coefficient	net result / BNP	wages mass / BNP	
5,65%	1,06%	28,23%	29,23%	38,30%	9,26%	

The source : (La Banque Nationale D'Algérie, 2017, p. 10).

Table 4: Financial performance indicators for the year 2018

Financial Aggregates en Millions DA						
Owned funds	Total assets	Banking net Product (BNP)	exploitation result	net result	customer resources	Customer uses
312 955	3 082 299	95 705	50 036	35 832	1 849 643	1 822 444
Main Ratios						
Owned funds rentability	assets rentability	solvency ratio	Exploitation coefficient	net result / BNP	wages mass / BNP	
6,41%	1,16%	27,22%	23,10%	37,44%	7,15%	

The source : (La Banque Nationale D'Algérie, 2018, p. 9).

Table 5: Non-Financial performance indicators for the year 2015

banking agencies	DAB	GAB	employees	customer accounts
210	138	90	5 250	2 513 197
CIB cards in circulation	digital banking agencies	subscribed to BNA.NET	electronic payment terminals in service	Bankinsurance counters
/	/	/	/	/

The source: (La Banque Nationale D'Algérie, 2015, p. 11).

Table 6: Non-Financial performance indicators for the year 2016

banking agencies	DAB	GAB	employees	customer accounts
211	142	92	5 288	2 593 529
CIB cards in circulation	digital banking agencies	subscribed to BNA.NET	electronic payment terminals in service	Bankinsurance counters
/	/	/	more than 1000	/

The source : (La Banque Nationale D'Algérie, 2016, p. 13).

Table 7: Non-Financial performance indicators for the year 2017

banking agencies	DAB	GAB	employees	customer accounts
214	145	95	4 950	2 672 056
CIB cards in circulation	digital banking agencies	subscribed to BNA.NET	electronic payment terminals in service	Bankinsurance counters
214 643	/	33 545	2 136	150

The source : (La Banque Nationale D'Algérie, 2017, p. 9).

Table 8: Non-Financial performance indicators for the year 2018

banking agencies	DAB	GAB	employees	customer accounts
214	145	97	5 115	2 780 481
CIB cards in circulation	digital banking agencies	subscribed to BNA.NET	electronic payment terminals in service	Bankinsurance counters
234 122	1	41 158	3 771	214

The source : (La Banque Nationale D'Algérie, 2018, p. 8).

Table 9: Non-Financial performance indicators for the year 2019

banking agencies	DAB	GAB	employees	customer accounts
216	145	99	> 5 000	2 839 525
CIB cards in circulation	digital banking agencies	subscribed to BNA.NET	electronic payment terminals in service	Bankinsurance counters
236 169	1	43 000	4 600	216

The source : (Le site électronique de la BNA, 2016).

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