

EVALUATION AND COMPARISON OF THE FACTORS LEADING TO
PROFITABILITY IN THE CONVENTIONAL BANKING VS
ISLAMIC BANKING STRUCTURES



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Topic of Research: Evaluation and comparison of the factors leading to profitability in the Conventional banking VS Islamic banking structures.

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ABSTRACT :

This study examines the comparison between Islamic banks and conventional banks in Pakistan. In this study the key determinants that affect their profitability are discussed and categorized as financial factors and non-financial factors. This study is important due to an emerging trend of Islamic banking practices in Pakistan in the existence of conventional banking system. For this purpose we have selected 5 banks. The financial factors include the ratio analysis and the credit rating and the risk faced by the banks, whereas the non-financial includes the customer satisfactions and employee satisfaction, competition and for this purpose questionnaire, informal interviews being conducted. The results reflect that there is strong positive relationship between service quality and customer satisfaction in case of Islamic banks as well as in case of conventional banks. On basis of these findings several recommendations have being given.

DEDICATION:

We dedicate this project to our parents who have always supported us throughout our lives in whatever we did and without them we wouldn't have been able to do this project and to our teachers throughout our MBA who has given us the proper guidance and direction to complete out project.

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