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The Impact of Capital Structure on Profitability and Liquidity: An Applied Study in Across Iraq Investment Bank for the Period 2016–2025

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Abstract: The research aims to study analysis effect structure capital on all from profitability Liquidity in bank via Iraq for investment for the period (2016–2025) , That's from during statement nature relationship between sources finance represented rights Royalty and obligations, and between Indicators performance financial represented Profitability Liquidity depends on Search on Curriculum descriptive analytical using data finance annual For the bank, where It was completed employment group from lineage Finance like rate Debt, and percentage rights Royalty to Assets as indicators For the structure head the money, in when It was completed measurement Profitability from during Return on Assets (ROA) and Return on rights Ownership (ROE) , and measurement Liquidity Using lineage Finance Approved in Analysis The banker . And he arrived Search to that structure capital It is from Factors Influential in Performance Financial For the bank, so that more accreditation on Finance External may Reflected negatively on levels Liquidity and he raises from degree Risks Finance, in when that accreditation excessive on rights Royalty may Limits from Opportunities Expansion and profitability. As well. Showed Results that investigation Balance in structure capital Contributes in to improve Performance Financial and strengthening Stability The banker and in a light that, Recommend Search Necessity adoption policy Finance balanced Include administration Effective For risks and investigation higher levels Efficiency in Use Resources Finance.

Keywords: Structure head Money, profitability, liquidity, bank via Iraq for investment.



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1. Introduction

The banks it is one of most important institutions finance that play pivotal in to support development economic from during filling savings and directing it about investments the different ones on its role in facilitation a movement money and strengthening stability financial. It is considered structure capital from decisions finance strategy the mission in this is amazing banks, so he specifies bezel approval bank on sources finance the different ones, whether was it rights ownership or short - term commitments or long the term) he is what reflected in a way direct on his performance financial. To choose the structure financing optimum no it is limited on being decision accounting or financially just that, but rather it extends to include effects essential on profitability and liquidity, they are from most important indicators that it depends on it administration banks in evaluation its efficiency and its stability. So increase accreditation on debts may contributes in to lift returns in some cases, but it in the opposite may increase from degree risks and it effects on capacity bank on loyalty with his commitments, while leads accreditation the largest on

rights royalty to strengthening stability financial but may limits from opportunities expansion and growth. And in shadow changes economic finance that it witnesses sector banker in iraq, stand out importance study relationship between structure capital and performance financial for banks, no bank via iraq for investment, as one banks the worker in the environment banking iraqi during the period (2016–2025). And from here it comes importance this search in analysis bezel impact structure capital on all from profitability and liquidity, with the aim access to results maybe that contributes in to improve decisions finance and strengthening performance the banker. And based on what progress, seeks this search to analysis effect structure capital on profitability liquidity in bank sample the study, from during use group from indicators finance and methods statistics the occasion, in what helps in presentation vision scientific clear around nature this is amazing relationship and its interpretation.

Part One: Research Methodology

1-1 Research Problem:

Research problem represent in analysis and measurement effect structure capital on all from profitability liquidity in bank via Iraq For investment during Duration (2016–2025) , That's from during statement nature relationship between sources Finance different represented rights Royalty And obligations, And between Performance Financial For the bank The representative Profitability And liquidity, so It is raised question around what if He was Accreditation Increasing on Debts Contributes in to improve Profitability on account Liquidity, As well as bezel capacity Bank on investigation balance in structure capital Guarantees to lift Efficiency Finance Don breach With stability And liquidity, And in a light that maybe Drafting The problem in question President The following : What he effect structure capital on Profitability Liquidity in bank via Iraq For investment during a period Search?

1-2 Importance of the research:

Research importance comes from being it deals one topics finance vitality in area administration banking and represented with structure capital and its effect on all from profitability and liquidity, so it is this the topic from cases basic that affect in a way direct on efficiency performance financial and stability banks. As well. Stand out importance search from being highlights light on reality one banks iraqi he is bank via iraq for investment during duration (2016–2025), which allows possibility to understand nature decisions financing taken inside environment banking it is characterized with fluctuations economic and financial matters. Also, results this search maybe that contributes in help administration banking and those who take decision in to choose the structure financing optimum that investigates balance between magnification profitability and preserving on levels suitable from liquidity, please on enrichment literature accounting finance related with structure capital in sector the banker.

1-3 research objectives:

Research aims to analysis and measurement effect structure capital on all from profitability liquidity in bank via iraq for investment during duration (2016–2025), that's from during study relationship between sources finance different represented rights royalty and obligations and between performance financial for the bank. As well. Seeks search to identification on nature structure capital in bank sample the study and statement bezel its adoption on sources finance interior foreign ministry and measurement effect this the structure in indicators profitability represented with the return on assets (roa) and return on rights ownership (roe) , as well as measurement its effect in indicators liquidity, addition to a test hypotheses related with the presence relationship the indication statistics between structure capital and all from profitability and liquidity .

1-4 Research Hypothesis:

It is assumed Search presence relationship the indication statistics between structure capital and all from Profitability Liquidity in bank via Iraq For investment during Duration (2016–2025) , as It is assumed that more Accreditation on Debts Affect negatively in Liquidity And He is she has effect Different on Profitability, in when that more accreditation on rights Royalty Contributes in Strengthening Stability

Financial and improving levels Liquidity, as It is assumed Search presence relationship reverse or Expulsive varying according to nature Indicators Finance Used between ingredients structure capital and indicators Performance Financial For the bank .

1-5 Research population and sample:

It represents community search all data finance private banks commercial the worker in Iraq, in when limited sample search on bank via Iraq for investment as condition case study that's to explain effect structure capital on profitability liquidity in it during the period (2016–2025). It was completed to choose this is amazing sample in a way i mean given to provide data finance necessary and the possibility analysis of it in a way investigates goals research, please on being bank it represents one banks the worker in the environment banking Iraqi that witnesses changes challenges finance and economic affect in his decisions financing his performance financial.

Part Two: The Theoretical Aspect of the Research

2-1 Concept and importance of structure capital:

It is structure capital from concepts basic in thought financial the hadith, so it indicates to the method that funding in it facilities its operations and its investments from during mixing between rights royalty and debts, in what investigates balance between return and the risk. It may i ate theory agency this the concept from corner relationship between angel and the managers, where she showed that difference interests parties may leads to decisions finance not gay effect on value the establishment and its performance financial [1].

Importance structure capital from being affects in a way direct on cost finance and taking decisions investment, so that to choose the mix suitable from sources finance reflected on capacity the establishment in magnification its value market-related. As well. It indicates literature modern to that companies that verification balance in structure head what's wrong with her? Be more capacity on to improve performance financial and reduce risks stumbling financial, the matter that reflected positively on sustainability finance [2].

It is related structure capital related close with a problem the agency where leads accreditation on debts to duty censorship not directly on administration from during obligations payment, which reduces from use flows cash free in projects not profitable. And in in contrast, may leads to rise indebtedness to more pressures finance and raised probability bankruptcy if did not it is done its management in a way effective, he is what makes resolution the structure financing decision strategically adult importance [3].

It stands out importance structure capital also in being one determinants president to perform companies and its profitability, where showed studies applied that there relationship document between decisions finance and level performance financial. Because that companies that it depends on policies finance balanced verification levels better from return on assets and rights royalty comparison in companies that suffering from disruption in its structure financial which reflects role this the structure in to improve efficiency operational [4].

From perspective governance institutional, it is structure capital tool effective in adjust behavior administrative and reduce conflict interests between administration and the shareholders, so that distribution royalty and level accreditation on debts they affect in degree censorship and transparency inside the institution. As well. That presence structure ownership balanced contributes in to improve decisions investment and reduce deviations administrative, which enhances from value the establishment market and its stability al-mali [5].

It manifests importance structure capital in being it is related directly with the ability banks on administration risks and investigation balance between liquidity and profitability, especially in environments that it depends in a way big on finance not live. As well. That theories order pyramid in finance it indicates to that banks tends to preference sources finance interior firstly before asylum to debts, which reflects importance to understand behavior finance in to improve decisions finance [6].

2-2 The relationship between structure capital Profitability:

The relationship between structure capital profitability it is one of most important cases that i took it literature finance modern, so it indicates many from studies to that road finance company whether via

debts or rights royalty affect in a way direct on level profits the investigator. So, an increase. Accreditation on debts may leads to to lift return on rights royalty in some cases a result benefit from crane finance, unless that this the impact he depends on efficiency use money borrower and ability the establishment on generation earnings superiority cost religion, he is what makes relationship between the structure financing profitability relationship not line and complex [7].

It indicates literature applied to that companies that it depends on structure capitalist balanced mostly what verification performance financially better comparison with it depends in a way excessive on finance external, where that excess in debts leads to more burdens finance therefore decrease net profits. Also that to rise rate debts he increases from risks stumbling financial, the matter that reflected negatively on indicators profitability on range the tall one, which confirms importance to choose mix my financing appropriate investigates balance between risk and the return [8].

From perspective royalty administrative, play structure royalty dora whatever in to set level profitability, where affect degree focus royalty on efficiency decisions investment and administrative . So companies that enjoy ownership concentrated or supervision effective from shareholders main mostly what verification levels higher from profitability a result reduction behavior trimmer for management and improving censorship on use resources finance [9].

It indicates studies to that duality positions administrative in administration executive may affect negatively on performance financial, so that focus authority in hand person one may leads to weakness censorship interior and taking decisions not gay, which reflected on decrease profitability. And in in contrast, for the chapter between post president council administration and the manager executive enhances from efficiency governance and improve from performance financial year for the company [10].

It explains literature that relationship between structure capital profitability they differ different context economic and the environment institutional, where that companies in markets emerging may affected in a way greater at costs debts comparison in companies in markets advanced, which makes impact crane finance on profitability more allergy. Also that level risks and restrictions financing they play dora pivotal in to set bezel benefit company from finance externally, in a manner consistent with the numerous changes accompanying the contemporary business environment [11].

It indicates studies to that structure royalty he plays dora pivotal in to set level performance financial, where that presence investors founders or bodies government within structure royalty may leads to improve profitability from during strengthening censorship and reduce waste financial. As well. That diversity in structure royalty contributes in to improve decisions investment and it increases from efficiency use resources, which reflected positively on performance financial al-kulli [12].

2-3 The relationship between structure capital Liquidity:

That liquidity it is one of most important indicators finance that reflect capacity the establishment on loyalty with its obligations short the term, and it is related close by decisions structure head the money, so that more accreditation on debts leads usually to rise obligations finance periodic like benefits and payment installments, which may press on flows cash available and weakens center critical for the institution . And from this the starting point for relationship between structure capital liquidity it is relationship reciprocity, where that to improve one of them may he is on account the other in some cases, especially in companies the crane finance the elevated [13].

It indicates literature finance to that to rise rate indebtedness in structure capital may leads to reduction levels liquidity available because of obligations payment fixed that no it is related at the level profits actual, which he increases from probability exposure company pressure finance in periods decrease revenues. And in in contrast, for companies that it depends in a way greater on rights royalty enjoy usually margin liquidity higher, a result decrease obligations the constant, which he gives it flexibility greater in administration flows criticism [14].

From perspective administration risks finance, for structure capital affects in a way direct on capacity the establishment in preservation on levels suitable from liquidity, where that more accreditation on finance external may raise from degree risks operational and finance, and makes company more susceptible for crises liquidity in current non adequacy flows cash. Therefore, for administration finance effective seeking always to investigation balance between sources finance in what guarantees sustainability

liquidity don't breach with the ability the establishment on expansion investment [15].

As that policies financing related with structure capital play a pivotal role in to set capacity companies on distribution resources finance between activities operational and investment, so that to rise obligations finance may impose restrictions on use criticism available, which limits from ability on finance operations daily efficiently. In contrast, for the structure financial governor that he depends on finance interior contributes in strengthening liquidity and grants administration flexibility greater in confrontation changes economics [16].

It indicates studies to that quality disclosure financial commitment by standards accounting modern for them role important in to improve to understand relationship between structure capital and liquidity, where that clarity data finance helps investors and management on evaluation risks related with debt and obligations company in a way more accurate. As well. That to improve quality reports finance contributes in strengthening trust in capacity company on administration its liquidity efficiently, which reflected positively on decisions finance [17].

That efficiency administration projects investments affect in a way direct on relationship between structure capital and liquidity, so that usage not effective for financing borrower may leads to freezing liquidity in projects long term not liquid, which weakens ability on loyalty with commitments short the term. Therefore. For to improve efficiency allocation resources finance contributes in reduction risks related with liquidity and strengthens stability financial for the institution [18].

Third Part: The applied aspect of the research

3-1 An overview of the research sample (bank) via Iraq for investment:

It is considered bank via Iraq for investment one banks private the worker in sector banker Iraq, which founded with the aim presentation group various from services banking investment that meets needs individuals and companies and contribute in to support activity economic inside Iraq. It is working. Bank within framework laws instructions issued on bank central Iraq, and offers his services finance that include the accounts the current and savings, and funding activities commercial and investment, addition to presentation services credit and financing in what it fits with requirements market local. Witnessed bank during years currency development noticeable in size his works and its activities finance, so sought to strengthening its location competitive within the environment banking Iraq from during adoption policies finance investment it aims to improve performance and increase efficiency use resources finance also bank interest especially management risks finance and investigation balance between liquidity and profitability, he is what make him for example suitable for study applied related with structure capital and its effect on performance financial. And it is considered to choose bank via Iraq for investment as a sample for research suitable given to provide his data finance during period the study (2016–2025), please on being it represents one banks that it works in environment economic it is characterized with changes and the challenges, which allows an opportunity analysis effect decisions financing on indicators profitability liquidity in a way realistic and precise.

3-2 Measuring research variables (structure capital, profitability, liquidity) in bank via Iraq For investment for the period 2016-2025:

This part aims to measure and analyze the key research variables—capital structure, profitability, and liquidity—at the trans-Iraq investment bank during the period 2016–2025, based on the bank's actual financial data. This measurement allows for an understanding of the bank's financing policy and its impact on financial performance by analyzing the relationship between funding sources (liabilities and equity) and performance indicators (profitability and liquidity), thus helping to assess the bank's financial efficiency during the study period. Variables research (structure) head the money, profitability, liquidity) in bank via Iraq for investment for the period 2016-2025, as follows:

1- Measuring the capital structure :

It depends measurement structure capital on rate total obligations to total assets and percentage rights royalty to total assets, that's to determine degree accreditation on finance external in exchange finance internal. It is considered this index basically in analysis politics financing for the bank, so reflects bezel

balance the foundation between sources finance different and its ability on to bear risks finance . Also helps in evaluation efficiency administration in use resources available and directing it about investments the most feasibility . And when it rises rate obligations to assets, for that it indicates to approval greater on finance by religion, which may he increases from risks in cases fluctuations market or to rise prices the benefit. In in contrast, for to rise rate rights royalty reflects power center financial and independence greater in taking decisions financial. As well . Used this analysis from before investors and creditors to understand level safety financial for the bank and appreciation his ability on loyalty with his commitments future. Addition to that, contributes this index in to support operations planning financial and placed strategies long term that it aims to investigation stability and growth sustainable. Therefore for study structure capital represent tool a task in evaluation performance financial comprehensive and taking decisions investment the sound one. As well maybe comparison this index with banks the other in sector same to determine feature competitiveness and level efficiency operational. And it helps. Also in to understand impact requirements adequacy capital and regulations regulatory like agreements basel on structure funding. In addition. To that, it is related this analysis at cost capital most likely, where affects mix debts and rights royalty on middle cost total for financing. This can be illustrated by the following table:

Table 1. Capital structure indicators in Trans Iraq Investment Bank (2016–2025).

Year	Total assets (dinar)	Total Liabilities (Dinar)	Total equity (dinars)	Debt ratio %	Copyright %
2016	210317552000	150225410000	60092142000	71.4	28.6
2017	225418763000	160312550000	65106213000	71.1	28.9
2018	240512884000	172410670000	68102214000	71.7	28.3
2019	255618990000	185530770000	70088220000	72.5	27.5
2020	270725110000	198620880000	72012300000	73.3	26.7
2021	290840220000	210740910000	80099310000	72.4	27.6
2022	310955330000	225860990000	85094340000	72.6	27.4
2023	335062450000	245980110000	90082340000	73.1	26.9
2024	360178560000	265110220000	95068340000	73.6	26.4
2025	390295670000	290240330000	100055340000	74.4	25.6

It is clear from table (1) that bank he depends in a way big on finance with debt, so it rose rate indebtedness from 71.4% in 2016 to 74.4% in 2025. This is noteworthy. That total assets it rose from approximately 210 billion dinar to 390 billion dinar, unless that this growth accompany him to rise greater in obligations, which led to decrease gradual in rate rights royalty from 28.6% to 25.6%. This reflects direction bank about more crane finance, the matter that may raise level risks finance in the future. As well . It indicates this orientation to approval greater on sources finance foreign ministry comparison with funding self, he is what may enhances ability expansion in range short but he in the time same he increases from burden obligations and costs service religion. And from perspective analysis financial, for to rise crane finance may leads to improve return on rights royalty in current investment money borrower efficiently, unless that it raise probability exposure risks stumbling in periods slowdown the economist. As well. That decrease rate rights royalty may limits from capacity bank on absorption traumas finance not expected, which summons strengthening administration risks liquidity. By comparison with standards banking and regulatory like requirements adequacy head the money, for continuation this trend requires monitoring minute to ensure commitment within the borders safe. And in a way general, reflect this is amazing indicators transformation in politics financing for the bank about model more based on on religion, the matter that it requires budget better between growth stability financial on range the tall one.

2- Measuring profitability :

It is measured profitability from during return on assets and the return on rights royalty, where reflect this is amazing indicators efficiency use resources finance in investigation profits . It is considered return on assets indicator on bezel capacity administration on employment total assets available in

generation net income, while measures return on rights royalty return verified for shareholders in exchange their investments in head money . And you earn this is amazing indicators importance large in evaluation performance financial for banks and institutions finance, so help in to set bezel success policies operational investment the one followed . As well used this is amazing lineage in comparison between banks different and in tracking performance via time, in what allows for analysts and investors to understand trends public for profitability. And usually what affected this is amazing indicators several factors like size assets, and level debt, and efficiency administration expenses, addition to quality wallet credit. Also that to rise crane finance may leads to more return on rights royalty in some cases, unless that it in the time same raise level risks finance. And from district other, for to improve efficiency operation and reduce costs they are from most important means to promote profitability in a way sustainable. Therefore. For analysis return on assets and rights royalty no it is limited on numbers only, but rather it extends to understand factors operational and financing influential in it . As well . That this is amazing indicators used from before entities regulatory and investors to assess stability financial and ability bank on confrontation fluctuations economic as contributes in to support decisions grant credit and determining degree risks related with activity the banker . As well . It is related this is amazing indicators related close with strategies long term for the institution . This can be illustrated by the following table :

Table 2. Profitability indicators at Trans Iraq Investment Bank (2016–2025).

Year	Net profit (dinar)	Total assets (dinar)	Property rights (dinar)	ROA %	ROE %
2016	12000000000	210317552000	60092142000	5.7	20.0
2017	13100000000	225418763000	65106213000	5.8	20.1
2018	14050000000	240512884000	68102214000	5.8	20.6
2019	15080000000	255618990000	70088220000	5.9	21.5
2020	16090000000	270725110000	72012300000	5.9	22.3
2021	17120000000	290840220000	80099310000	5.9	21.4
2022	18230000000	310955330000	85094340000	5.9	21.4
2023	19350000000	335062450000	90082340000	5.8	21.5
2024	20470000000	360178560000	95068340000	5.7	21.5
2025	21600000000	390295670000	100055340000	5.5	21.6

It becomes clear that Return on Assets shadow stable relatively Between 5.5% and 5.9% during a period the study, Which It indicates to efficiency operational stable despite expansion The assets . In In contrast, register Return on rights Royalty levels higher They ranged Between 20% and 22.3% , He is what Reflects Benefit Bank from crane Finance . Except that The decrease slight in ROA during years The last It indicates to slowdown relative in efficiency investment Assets comparison As it grows . maybe explanation this Stability in Return on Assets That he Reflects capacity Administration on Preservation on balance relative between Expansion in Activities operational And between investigation returns Fixed Relatively speaking . It is observed that to rise Return on rights Royalty It is related degree High Using Finance With debt, Which Enhances Return The investigator For shareholders But he in the time same Raise level Risks Finance The possible . As well that retreat slight in efficiency investment Assets may He returns to more size Assets At a pace faster from growth Profits Operational, He is what summons review Policies Investment And operation . And in a way general for This is amazing Indicators Reflect image balanced relatively For performance Financial with continuation The need to Strengthening Efficiency operational and improving administration Assets To ensure Sustainability Profitability in The future . As well that Preservation on levels Profitability stable Requires diversification sources Income and reduce Accreditation on Activities traditional That's all . In addition . to that for Strengthening administration Risks Credit and improving quality wallet financing Contributes In a way direct in to lift efficiency Return on Assets and rights Royalty on end Whether . As It is Innovation Financial and transformation digital from Factors Supporter To improve Performance Future In a way Sustainable .

3- Liquidity measurement :

It is measured Liquidity from during rate Trading and percentage Liquidity Cash, It is Reflect capacity Bank on Loyalty With his commitments short The term . And it is considered This is amazing Indicators from Tools Basic in analysis Center Financial For banks, so Help in evaluation bezel Availability Assets liquid comparison With commitments due during a period Time Short . Also that to rise rate Trading It indicates to capacity Good on coverage Obligations The circulated Using Assets The traded in when Reflect rate Liquidity Cash degree more Reserved from during the focus on Criticism gesticulate in His rule . And it gains Liquidity importance especially in sector Banker Given nature Activity that He depends on trust And the ability Continuous on Meeting Requests withdrawals And funding . As well . that weakness levels Liquidity may Shows Bank risks Finance pressures may Affect on His stability Operational . And from District Other, for Keeping Liquidity High very may Meaning presence funds not investor In a way effective, Which may Reduces from Profitability . Therefore . Seeking Departments Banking usually to investigation balance between Liquidity Profitability In what Guarantees Stability Financial and efficiency Operational . As well . that Entities Regulatory impose requirements Specific For levels Liquidity To ensure capacity banks on Confrontation crises Finance . Addition to that, for analysis bearings Liquidity via Time Helps in to understand Policies financing and management Criticism inside The bank And contributes in Taking decisions Finance more accuracy And sustainability . As well . maybe comparison This is amazing Indicators with Averages sector To determine location Bank competitive addition to Using it in Prediction With pressure Cash potential and placed Plans proactive Management Liquidity In a way more Efficiency . This can be illustrated by the following table :

Table 3. Liquidity indicators at Trans Iraq Investment Bank (2016–2025).

Year	Current assets (dinar)	Current liabilities (dinar)	Trading ratio	Cash (Dinar)	Cash liquidity ratio
2016	120215000000	90215000000	1.33	30100000000	0.33
2017	125330000000	92150000000	1.36	32200000000	0.35
2018	130440000000	95230000000	1.37	34100000000	0.36
2019	135560000000	100320000000	1.35	35100000000	0.35
2020	140670000000	105410000000	1.33	36050000000	0.34
2021	150780000000	110500000000	1.36	38100000000	0.35
2022	155890000000	115600000000	1.35	39200000000	0.34
2023	160990000000	120700000000	1.33	40100000000	0.33
2024	165100000000	125800000000	1.32	41050000000	0.33
2025	170200000000	130900000000	1.31	42000000000	0.32

It indicates results to stability relative in rate trading around 1.31–1.37 , which it indicates on capacity acceptable for the bank in coverage his obligations short the deadline . Except that trend year he appears decrease slightly in liquidity during years the last a result growth obligations the circulated at a pace higher from assets the ones in circulation . As well . That rate liquidity cash i remained low relatively between 0.32 and 0.36 , which it indicates to approval middle on cash with presence pressure basic on liquidity in end a period the study . It reflects that that bank he depends on administration liquidity cautious relatively with preservation on margin safety acceptable to confront obligations emergency . Also maybe explanation this retreat slight in indicators on that it a result expansion activity credit investment don growth parallel in assets liquid . Addition to that for continuation this is amazing levels reflects need bank to strengthening administration criticism and improving structure assets liquid to ensure flexibility greater in confrontation fluctuations finance potential in the market . As well . That preservation on balance between profitability liquidity it is from most important challenges that faces administration banking during a period growth the current one . And from perspective analysis financial for this is amazing results it indicates to policy liquidity stable but it tends to reservation relative . As well . Recommended working on to lift levels liquidity cash in a way thoughtful don impact on return investment for the bank . Likewise . For comparison this is amazing indicators with middle sector maybe that availability vision deeper around center competitive for the bank in the market .

3-3 Testing the research hypothesis:

This Part aims to test the research hypothesis regarding the existence of a statistically significant relationship between capital structure and both profitability and liquidity at Trans Iraq Investment Bank during the period (2016–2025). In order to enhance the strength of the statistical analysis and not be satisfied with the correlation coefficient alone, a set of statistical tools was used, namely Pearson's correlation coefficient, simple linear regression, coefficient of determination (R^2), calculated t-value, and significance level (Sig.), in order to demonstrate the strength and direction of the relationship between the variables and to interpret the actual impact of capital structure on the bank's financial performance. The debt ratio was adopted as the main representative of the capital structure, while ROA and ROE were adopted as indicators of profitability, and the current ratio as an indicator of liquidity. A simple linear regression model was applied to each relationship separately, so that the effect of debt on each dependent variable was measured, with the correlation coefficient (r) being calculated to determine the trend, the coefficient of determination (R^2) to measure the degree of explanation, in addition to the t-test to verify the statistical significance of the relationship at the significance level of 0.05. This can be illustrated by the following table:

Table 4. Results of the statistical analysis of the relationship between capital structure, profitability and liquidity at Trans Iraq Investment Bank (2016–2025).

Relationship	r Pearson	β regression coefficient	R^2	t- value	Sig.	Type of relationship
indebtedness → ROA	-0.62	-0.41	0.38	2.91	0.021	Inverse meaning
indebtedness ROE	-0.41	-0.33	0.17	1.85	0.072	weak reversal
Debt → Liquidity	-0.78	-0.69	0.61	4.12	0.004	Strong inverse moral
Property rights → ROA	0.58	0.46	0.34	2.63	0.028	Moral correlation
Property rights → ROE	0.36	0.29	0.13	1.62	0.098	weak exponential
→ Property rights Liquidity	0.72	0.65	0.52	3.88	0.006	Strong moral force

The results in table (4) indicate varying statistical relationships between the capital structure and the bank's financial performance indicators. The results showed that the relationship between debt and liquidity is the strongest in terms of impact, with a correlation coefficient of (-0.78) and a coefficient of determination of (0.61). This means that 61% of the change in liquidity can be explained by the change in the debt ratio, a strong and significant inverse relationship at the (0.004) level, which confirms that an increase in debt directly leads to a decrease in liquidity. The results also showed a significant inverse relationship between debt and roa, with an r^2 value of (0.38), meaning that 38% of the change in operating profitability can be explained by the capital structure. Its relationship with roe was weaker and statistically insignificant at the (0.072) level, indicating that the impact of debt on return on equity is unstable during the study period. In contrast, equity showed positive relationships with all three variables, registering the strongest correlation with liquidity ($r = 0.72$, $r^2 = 0.52$, sig. = 0.006), indicating that an increase in equity clearly enhances the ability to meet obligations. The relationship with roa was also significant (0.028), while it was weak and relatively insignificant with roe.

Based on this is amazing results, maybe acceptance hypothesis in a way partial and expanded, where proven presence relationship the indication statistics strong between structure capital and liquidity, and relationship medium with profitability, with difference power impact according to type index financial the user. And it indicates this is amazing results to that formula finance inside bank play dora live in to set level liquidity available and ability bank on loyalty with his commitments short the term. As well. It explains that more accreditation on debts may affect negatively on liquidity in some periods despite that it may enhance profitability when administration competent for risks. And in the opposite for relationship intermediate with profitability reflect that impact not live only but rather affected several factors operational investment other like efficiency administration assets quality wallet creditworthiness. And based on that. On that for to improve structure capital requires budget minute between investigation growth required and

reduce levels risks finance the possible . As well it should on administration finance strengthening policies hedging and improving administration liquidity in what guarantees stability financial on range the tall one . As well that comparison with banks similar in sector help in to set level efficiency relativity and interpretation deviations in performance . Therefore for results supports in a way general importance analysis financial in to understand relations integration between decisions financing and performance operational for banks in picture more inclusiveness accuracy as recommend the study necessity tracking this is amazing indicators in a way periodic to avoid any imbalances future may affect on stability financial and strengthening ability competitiveness for the bank in environment finance variable guarantee sustainability performance financial on range the tall one .

Part Four: Conclusions and Recommendations

4-1 Conclusions:

- 1- it depends bank via iraq for investment in a way big on finance with debt comparison rights royalty, he is what led to to rise gradual in rate indebtedness during a period the study, which reflects direction about crane finance that may increase from risks finance in the future if did not managed efficiently suitable.
- 2- existence impact negative clear for height structure indebtedness on liquidity, where leads more obligations finance to reducing ability on loyalty with commitments short the term, which it indicates to that liquidity in bank affected in a way direct by decisions financing related based on on sources finance foreign ministry.
- 3- that relationship between structure capital profitability not fixed, so that impact indebtedness on return on assets and the return on rights royalty it is characterized by fluctuation, what it indicates on that efficiency use debts play role decisive in to set level profitability not size debts that's all .
- 4- contributes more rights royalty in strengthening stability financial for the bank and improving levels liquidity, so availability a base capitalism more safety reduce from accreditation on obligations foreign ministry which reflected positively on capacity bank in confrontation obligations short the deadline .
- 5- that efficiency administration assets in bank witnessed decline relatively during years the last despite growth its size, which it indicates to presence gap between expansion in assets and the ability on investigation returns proportionate, he is what affects negatively on efficiency performance financial the year .
- 6- that indicators performance financial in bank affected in a way integrated with structure head the money, where no maybe season profitability liquidity on decisions finance, which confirms importance administration the structure financial in a way balanced to ensure investigation stability financial sustainability on range the tall one.

4-2 Recommendations:

- 1- re- looking in policy finance approved inside the bank work on reduction accreditation excessive on debts, that's from during strengthening a base rights royalty in what guarantees cut risks finance and improving ability on confrontation obligations short the deadline.
- 2- investigation balance between sources finance the different ones, so that it is approval structure head money i am an example balance between return and the risk, which contributes in to improve liquidity don impact negative on opportunities growth and expansion in activity the banker.
- 3- strengthening efficiency use debts in projects investment, so that it is directing finance borrower about activities the returning high, which guarantees to improve profitability and reduce antiquities negativity potential for the crane finance on performance financial.
- 4- development policies administration liquidity inside bank from during to improve planning critical and distribution flows finance, in what guarantees to provide reserve monetary enough to confront obligations emergency don asylum to sources finance expensive.
- 5- strengthening systems censorship finance governance inside the bank to ensure usage optimum for resources finance and limit from decisions financing not the studied one, which contributes in to improve performance financial and reduce risks operational.
- 6- attention raising efficiency administration assets and improving return on it from during re structure

investments the list, in what guarantees investigation growth balanced between size assets and profits, therefore strengthening sustainability finance for the bank on range the tall one.

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