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Theeffect of Blue Ocean Strategyon Increasing competitive Advantage on Commercial Banks (Irbid District) An Empirical Study

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Abstract: *The study deals with a very important subject focusing on identifying the effect of blue ocean strategy in increasing the competitive advantage, the study aims to explore the effect of blue ocean strategy on competitive advantage on commercial banks (Irbid District) by requesting the opinions of a sample from three management levels within commercial banks, around (135) questionnaires were randomly distributed to managers in these three levels, the returned suitable questionnaires were (122) with (90%) response rate by way of a questionnaire containing 34 items, this questionnaire is used as a main tool for collecting date from the sample.The results are analyzed by using the main and standard deviation in addition to Descriptive Statistics and the simple regression coefficient analysis. Results were strong significant and positive influence between (create new value, reducing cost, and raising facilitating actions) and competitive advantage, and there isn't significant influence between eliminating business factors and competitive advantage.*

Keywords*: Blue Ocean Strategy, Competitive Advantage, Commercial Banks.*

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I. Introduction

Organizations can implement any strategy; it depends on their situation or circumstances faces, in this area that leading to the emergence of a revolution in strategic areas, is “Blue Ocean Strategy” that by the strategic thinking approach and innovation in strategic areas provide a set of specific tools and strategies to achieve it, Many successful examples about Blue Ocean Strategies implementation focus much more on; Blue Ocean Strategy, (BOS) is a management strategy tool well recognized in the 21 century, the BOS may be called more an outside-in approach than an inside-out approach, Johnson et al (2010) highlight the link between the Blue Ocean and a strategic gap, The strategic gap is an opportunity in the competitive environment which competitors do not fully exploit, Indeed the BOS looks across the current business to exploit uncontested and not yet exploited opportunities. A Blue Ocean is defined by an untapped market space, demand creation, and the opportunity for highly profitable growth (Kim & Mauborgne, (2005).The idea of Blue Ocean Strategy by challenging the competition which is for years, the most important default in the field of strategic management, and also by offering new solutions, has introduced a new area for succession in the field of business and services. In view of the developments in the business world, characterized by rapid and dynamic changes and complexity in various fields, it is necessary to work to find new ways and methods to sustain competitive advantage, Competitive advantage is a goal pursued by all institutions,this requires finding and using a competitive strategy that is difficult to imitate.

II. Literature Review;

Today’s business world is now very competitive the decision makers of the business are changing their strategy to sustain in the competitive business world. In the past decades, some popular strategic frameworks for the creation of new business models have been developed,by this way, a new business model named Blue Ocean Strategy (BOS) has been introduced by Kim and Mauborgne (2004a),BOS is a concept that enables organizations think and create innovation in their business that can assist organization to the financial and economic sectors which is the main concern of the firm to generate sustainable profit.(BOS)is a new strategy for achieving success through analyzing market to achieve goal got wide acceptance by many organizations, The BOS role of innovation and value help organization survives in competitive market (Dehkordi, Rezvani, & Behravan, 2012). Creating Blue Ocean is appropriate that assist in exploring opportunities in the market space which is the root of growth, its recommended implementing BOS to break and speak out of box for those companies that want making difference, build future benefits from stakeholders, (Low & Ang, 2012).Also defined "BOS is about growing demand and breaking away from the competition and having an open mind in business, and seeking all opportunities of creating uncontested market space, and in this way, it makes the competition irrelevant,"BOS provides a theoretical framework and a practical roadmap for companies to break away from the cutthroat competition in existing industries and create new market space of profitable growth" and advocated that in market boundaries it breaks down the trade-off between value and cost through cognitive reconstruction of market elements under which view (Mi,2015).

The blue ocean strategy represents the way in which to open up an untapped market space and create demand and growth opportunities (Kim and Mauborgne, 2004).Also it is the organization's ambitious and successful mission to create and innovate value and rely on strategic moves away from intense competition,(Layton,2009), while (Baxter &Lynne,2008) said that blue ocean strategy is a strategy to create new value for the organization and buyers and break the rule of tradeoff between differentiation and low cost. Through the previous definitions it is clear that the strategy of the Blue Ocean is like the unknown areas of the market and the non-exposed in the past, pure blue color not to be contaminated with bloody competition as it is considering the introduction of unknown products and attract new customers and keep them away from the external competition.

Blue Ocean Strategy (BOS) Framework:

The core BOS-tools are the strategic canvas with old and new value curve, Six Searching Paths Framework, Four-Actions-Framework and Sequence of Blue Ocean Strategy. They enable to act on an opportunity maximizing and risk minimizing way (Kim & Mauborgne, 2005). we first developed and detailed the logic of the BOS by establishing an encompassing BOS-framework (figure 1). We systematically build the BOS-framework by reviewing the related publications of Kim and Mauborgne. Using figure 1, we would like to detail the different parts of the BOS-framework and explain their function and value to derive an uncontested market space. One should start with the business analysis, the business analysis focuses on two areas. First, it is applied to identify the taken-for-granted business factors, on which the competition base. As result, the strategic canvas with the old value curve can be derived. Second, the execution of the business analysis allows the identification of the most suitable searching path or their combination, to derive a new market space.

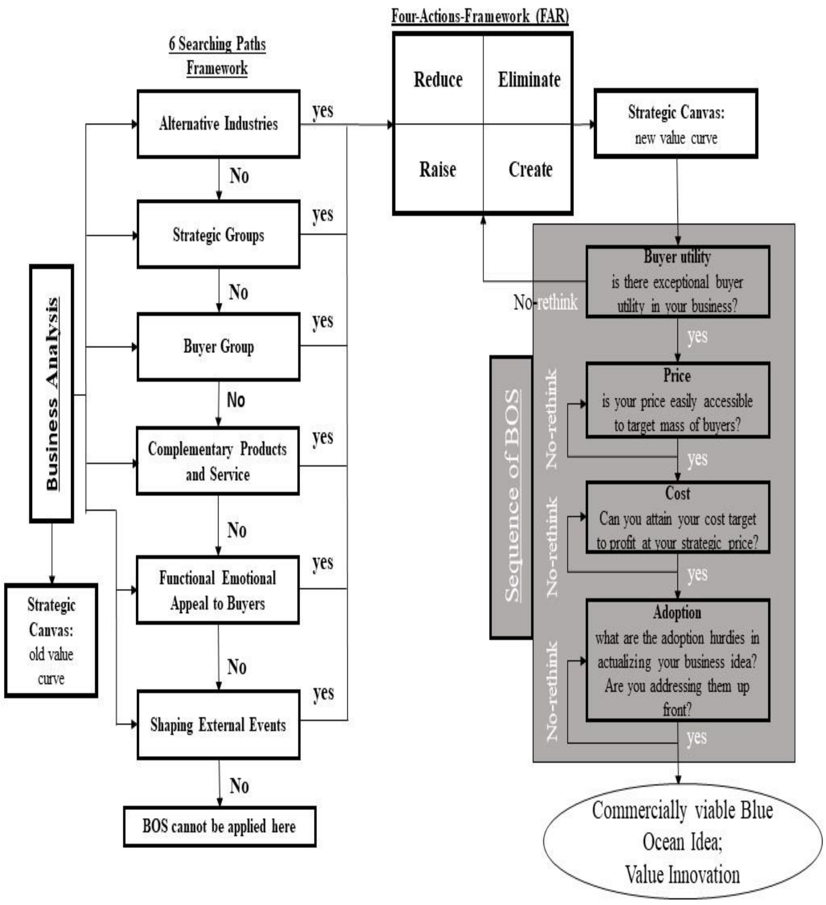


Figure 1: Blue Ocean Strategy Framework

Second, the strategic canvas is a diagnostic and action framework for building a compelling BOS (Kim and Mauborgne, 2005a). The strategic canvas is a diagram where on the horizontal axis the taken for granted business factors are named which the industry competes on and invests in. On the vertical axis, the offering level that buyers receive across the granted business factors is ranked from low to high. The line connecting the offering level of each business factor is called value curve (Kim & Mauborgne, 2005a). The value curve is the main element of the strategic canvas showing the firm's relative performance across its industry's factors of competition (Kim & Mauborgne, 2005a). Taking another view on the value curve shows that the link between low and high ranking on a business factor presents, what industry offers to the customer. For changing the current or better the old strategic canvas fundamentally, the company has to apply the FAF in combination with one or more of the SSPF (Kim & Mauborgne, 2005c).

Third, Six Searching Paths-Frameworks (SSPF) gives a detailed set of questions to run the business analysis in an efficient and effective way. The first searching path of the SSPF is Looking across Alternative Industries, which encourages managers to identify substitutes which deliver the same function and buyer revenue as their current products or services (Kim & Mauborgne, 1999 and 2004b). At the crossroads of two alternatives, the potential for a value innovation can be found (Kim and Mauborgne, 2005c). One cannot identify an uncontested market along this searching path, when there are no alternative industries and products.

The advantage of the SSPF is the systematic, enforced revision of established business practice. At least one out of six searching paths must be applicable to derive the uncontested market space, and allow for further specification of the product or service and the related business model in the later stages of the BOS-framework. Under the circumstance that none of the six searching paths can be applied, the BOS cannot be applied to the industry and manager can stop at this point with conducting the BOS-framework. Fourth, Four-Actions-Framework (FAF) after the finalization of the business analysis, including the execution of the SSPF, the FAF supports the decision maker to reduce, to eliminate, to raise and to create the demanded and yet not offered business factors to derive an uncontested market space. The FAF supports the characterization of the Blue Ocean, based on the single business factors. Additionally, the FAF is needed to elaborate the new business concept(s). The FAF implicates four possible actions either to create new value for the buyer or to increase the buyer utility considering the new business concept, derived by means of the SSPF (Kim & Mauborgne, 2004). The aim of the authors is to pursue both differentiation and low cost by "Reducing", "Eliminating", and "Raising" already existing taken for granted business factors, and additionally "Creating" new ones (Leavy, 2005). "Reduce" and "Eliminate" are focused on business factors which are taken for granted (Leavy, 2005), with the aim of reducing costs compared to competitors (Kim & Mauborgne, 2005a). One should "Eliminate" business factors which deliver no added value for the new business concept. Business factors are "Reduced", when they still add to the success of the new business, but may have a slightly lower prominence. In contrast, "Create" and "Raise" are focused on facilitating actions delivering added value and superior performance (Leavy, 2005). The action "Raise" is restricted to taken for granted business factors which should be raised, because, although hardly valued by the industry, they have a significant influence on the buyer utility. Finally, the creation of factors is required when one needs to establish a new source of value for the buyer. Raised and created business factors mainly promote the differentiation focus. They enable the realization of the characteristics of the new business. In summary, the incentive behind the FAF is to increase the buyer's revenue and to generate new demand (Leavy, 2005). By means of the FAF one can derive the key success factors for the new business concept.

It is clear from the above that the blue ocean strategy is the strategy based on the logic of competition through new applications and the creation of a conflict-free environment with exceptional benefit to the customer. The blue ocean strategy goes through the formulating and implementation phase and depends on the diagnostic and preparation tools which include the matrix (Eliminating, Reducing, Increasing, Creating) and the strategic canvas. To ensure the sustainability of the institution's presence in the blue ocean space, it must search in the barriers of deep-seated in the blue ocean strategy. Samsul &Mohammad (2017) studied is based on the pros and cons of the Blue Ocean Strategy (BOS) that offers users a framework for creating uncontested market space and diverts the views from the current competition to the creation of innovative value and demand. The main objective of the study is to show the overall scenario of BOS and its impact on organizational performance. The study includes the history of BOS, comparison with Red Ocean Strategy (ROS), relevance of applying BOS, Applications, Critics, Findings, Recommendations and Conclusion. The Findings of the study tries to show the ultimate results of applying the BOS and the recommendations urge some precautions to apply BOS. The result found that BOS positively affects the organization performance if applied in organizations. Overall, the study is effective to decide the adoption of BOS within the organization. The recommendation for the organization is to do an in-depth analysis on BOS before implementation to see the suitability considering the company size, industry condition, and adaptability.

Agnihotri, (2016) studied that 'Blue Ocean Strategy', one of the best seller books has received tremendous attention amongst scholars and practitioners. This paper first critically analyzes the conjectures presented in the book. Second, we investigate if means suggested by authors to create a blue ocean are applicable in emerging markets. Article further proposes that blue oceans can be created via radical innovation, disruptive innovation, frugal innovation, and purely differentiation strategy and focused differentiation strategy rather than only value innovation. Furthermore, we suggest that strategy canvas is applicable not only for value innovation but all types of innovation. We, thus extend the boundaries of sources of blue oceans. Lastly, we explore if sustainable competitive advantage or blue oceans ae better sources of profitability.

Matheka, (2016) studied find out the impact of blue sea systems on competitive advantage of microfinance foundations in Kenya. The study utilized a descriptive survey research outline. The population grasped 52 microfinance foundations which were individuals from Association of Microfinance Institutions (MFIs) as at December 2015. The analyst utilized a questionnaire as the essential information gathering instrument. Descriptive statistics was utilized for the information examination. In addition, multiple regression analysis was utilized to set up the relations between the free and ward factors. Frequency tables and other graphical presentations were utilized to introduce the study discoveries. Numerous relapse was utilized to build up the impact of the free factors on the reliant variable. The study found that 64.9% of the variety in the competitive advantage of the microfinance foundations in Kenya was clarified by; separation, minimal effort technique, uncontested market space, opportunity and dangers and esteems development system. the study inferred that esteem advancement had the best impact on the competitive advantage of microfinance establishments in Kenya took after by ease and separation while opportunity and hazard methodology had the slightest impact upper hand of microfinance organizations in Kenya. The study suggested that operation chiefs in microfinance foundations ought to give careful consideration to consumer loyalty, since survival in this dynamic environment is exceedingly subject to capacity to hold a bigger client base contrasted with contenders. Microfinance establishment's administration ought to likewise contribute more on item separation as it could be utilized as a noteworthy upper hand apparatus against rivals in the business since it is equipped for ensuring survival. The microfinance institutions should also adopt differentiation strategies that address needs of specific market segments. To achieve this, clients' needs must be identified by way of continually seeking customer feedback and promptly addressing them. Microfinance institutions should also continue investing in innovative delivery channels because they are able to control their costs much better as compared to investment in brick and mortar or physical branches. Future research should replicate the study in other subsectors of the financial sector including banks and insurance companies.

Veleski, (2014). studied aims to explore the awareness of Macedonian companies about the relatively new marketing concept "Blue Ocean Strategy". It tries to depict the level of overall knowledge of the meaning of this strategy by the companies, the level of its application, the advantages they could gain and the readiness to accept and apply this new marketing concept. In order to accomplish the goal of this research, primary and secondary data are used. A sample of randomly selected companies was created and survey was done. For this purpose, questionnaires were sent to 152 business subjects (Macedonian SMEs) by e-mail of which 95 responded and represented the base for our analyses. The questionnaire was designed for respondents who indirectly could indicate possibility of the existence of "blue-ocean" in their organizational structure, in their daily operations and market in which they act. We also did an extensive survey of secondary data, the extant literature and online databases on the topic of applying of this new marketing concept. The goal was to provide a preliminary theoretical framework about its application in SME segment. The paper will try to reach the conclusion regarding the need of a systematic approach in terms of The BlueOcean Strategy to be applied in order to define the potential, first of the national economy, and then of the interested companies, to increase their competitiveness outside the Republic of Macedonia and stimulate the creation of blue oceans in those segments of the economy and those businesses that have a major objective chances for success of regional and global markets.

Gochhait, (2014) For refractory industries to be successful in terms of reasonable profit rate with multiplying sales and consistently rising market share, it is essential for them to adapt the most appropriate marketing strategy for creating new customers and retaining them. So, to cope with the changing customer expectation in the fast changing economic and non-economic environment, there is a need for adopting strategies by the marketers to enhance their sales. In today's business firms, two main marketing strategies are used in creating new customers and retaining the existing ones. This paper deals with the limitations of Red Ocean Marketing Strategy that promotes guerrilla marketing and brand wars, which has led to a fresh debate on ethical and legal grounds. Blue Ocean Marketing Strategy that helps in creating uncontested market spaces has also been discussed, highlighting its methodological principles that apply to all types of refractory industries. The discussion presented in this study gives a clear picture of the competitive advantages and core competence areas of refractory industries in Odisha.

Kim,&Yang, & Kim (2008) One of today's most frequently discussed topics in the business world is how to escape from the intense Red Ocean and how to create an uncontested Blue Ocean. However, because there are few practical guidelines available on this topic, we will introduce a case study of a third-party logistics (3PL) provider, CJ-Global Logistics Service (CJ-GLS), to show how it aspires to be a leader in the newly introduced 3PL industry in South Korea. CJ-GLS is a latecomer in the logistics industry, and its resources, such as the number of trucks and warehouses, are relatively small in comparison to those of established companies. But, it has achieved a distinct competitive advantage through innovative information technology (i.e., RFID—radio frequency identification), which has enabled it to create an uncontested market space, electronic logistics business. One remarkable fact about CJ-GLS is that its swift growth comes not from attracting competitors' customers from the existing Red Ocean market but from creating a Blue Ocean market (3PL market), which previously existing incumbents ignored, and also from constructing a new business model founded on a RFID-based, ubiquitous-oriented 3PL system. Analyzed through a Four Actions Framework and characterized as Blue Ocean, this case study provides valuable information on how a company reinforces its competitive advantage from the Red Ocean while it transitions into a Blue Ocean by utilizing advanced information communication technologies

III. Objectives of the Study

The aim of this study is to identify the role of blue ocean strategy on increasing competitive advantage on commercial banks. More specifically this research has four objectives:

- To explore the role of create new valuefor the buyer or to increase the buyer utility considering the new business concept for increasing competitive advantage.
- To explore the role of reducing costs compared to competitors for increasing competitive advantage.
- To explore the role of eliminating business factors which deliver no added value for the new business concept for increasing competitive advantage.
- To explore the role ofraising focused on facilitating actions delivering added value and superior performance for increasing competitive advantage.

IV. Data and Methodology

To examine the role of blue ocean strategy on increasing competitive advantage on commercial banks. Iselected commercial banks (Irbid District) to be my empirical study in this research.

4.1. Data

A questionnaire or sample survey is the primary tools of data collection. That was divided into (2) main sections. Section 1 measured the respondents' demographic background. Sections 2 measured the respondents' views toward the role of blue ocean strategy on competitive advantage. Create new value (7 items), reducing costs (7 items), eliminating business factors (6 items) andraising facilitating actions (6 items). Each item was measured in terms of a five points rating scale from 1 (*strongly disagree*) to 5 (*strongly agree*).

4.2. Methodology

The sample was drawn from three management levels within commercial banks, around (135) questionnaires were randomly distributed to managers in these three levels. The returned suitable questionnaires were (122) with (90%) response rate.

V. Hypotheses

Based on the objectives of the study, the following hypotheses will be tested.

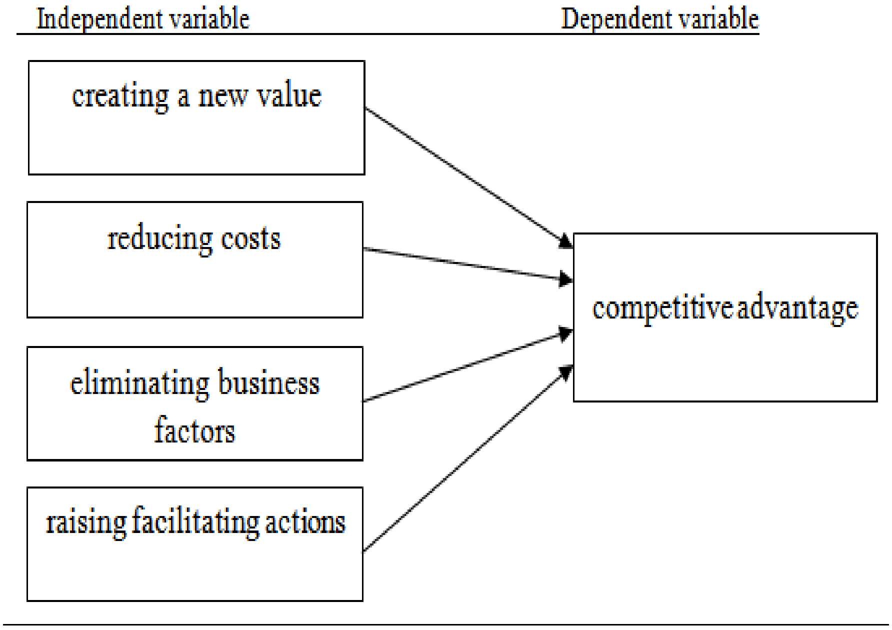
Hypothesis 1: There is no statistically significant effect of creating a new value on increasing competitive advantage.

Hypothesis 2: There is no statistically significant effect of reducing costs on increasing competitive advantage.

Hypothesis 3: There is no statistically significant effect of eliminating business factors on increasing competitive advantage.

Hypothesis 4: There is no statistically significant effect of raising facilitating actions on increasing competitive advantage.

Figure 2: Research framework



VI. Case and Data Analysis

Tables one to four present the descriptive statistics for the four study variables (Create new value. Reducingcosts.Eliminating business factors. Raising facilitating actions, and Increasing competitive advantage. Statements (1-7) represent Create new value as independent variable, statements (8-14) represent Reducing costs as independent variable, statements (15-20) Eliminating business factors as independent variable, statements (21-26) represent Raising facilitating actions as independent variable, and statement (27-34) represent Increasing competitive advantages dependent variable.

6.1. Create new value

The following tables show the results of the empirical test. Table 1 through Table 5 is outputs of SPSS Statistics software. As shown in table (1) the highest mean was item #6 " The bank supports creative ideas submitted by their employees " (4.12) with (0.87) Standard deviation (Std), while item #4"Innovation contributes to the expansion of the bank's market " scored the lowest mean (3.45) with (0.98)Std.

Table (1) Create new value (n=122)

No.	Statement (create new value)	Mean	Std
1	The bank adopts innovation policy and introduces new ideas	3.54	0.56
2	The bank is pro acted in the use of technology and new services	3.98	0.89
3	Increase customer confidence whenever the bank gave him all new and met his ambitions	4.05	0.74
4	Innovation contributes to the expansion of the bank's market	3.45	0.98
5	The bank is creating the best value for the user service	3.87	1.02
6	The bank supports creative ideas submitted by their employees	4.12	0.87
7	The bank is motivating his employees to creativity and innovation	3.64	0.65

6.2. Reducing costs:

The findings presented in table (2) as shown. Item #14: "The Bank works to reduce its capital to avoid risks" scored the highest mean (3.86) with (0.71) Std, while the item #12: "Reducing costs and increasing profits depends on reducing the waste of production inputs" came last and scored lower mean (2.85) with (0.37) Std

Table (2) Reducing costs (n=122)

No.	Statement (Reducing costs)	Mean	Std
8	The Bank seeks to reduce unnecessary services	3.25	0.75
9	The Bank is distinguished from its competitors by reducing harmful applications to society and the environment	3.36	0.86
10	The bank is abandoning ideas that are unworkable even good	3.15	1.02
11	Gain customer confidence is based on the elimination of poor quality services	3.63	0.72
12	Reducing costs and increasing profits depends on reducing the waste of production inputs	2.85	0.37

13	The Bank seeks to reduce its inefficient projects	3.07	1.06
14	The Bank works to reduce its capital to avoid risks	3.86	0.71

6-3. Eliminating business factors

Table (3) shows the results of eliminating business factors. Again, the means for all items were either high or very medium. Statement #19 that says "The exclusion policy is acceptable to the Bank" came first with high mean (4.21) with (0.61) Std, while statement #15 that says "The bank eliminate all that is unnecessary in the production process to increase competitive advantage’’ came lowest with average mean (3.62) with (0.67) Std.

Table (3). Eliminating business factors (n=122)

No.	Statement (eliminate business factors)	Mean	Std
15	The bank eliminate all that is unnecessary in the production process to increase competitive advantage	3.62	0.67
16	The bank excludes some marketing and operational costs in the production process to increase competitive advantage	4.04	0.91
17	The Bank eliminates some of the process’s inefficiencies to increase competitive advantage	3.69	1.03
18	The bank excludes any sources hindering its work	3.85	0.52
19	The exclusion policy is acceptable to the Bank	4.21	0.61
20	The bank strives to work hard at a specific location	3.91	1.07

6.4. Raising facilitating actions

Table (4) reflects the results of the fourth variable of the study. Statement #23 that says “Increasing the quality of service offered increases customer confidence in the bank" came first with high mean (4.12) with (0.78) Std, while statement #22 that says 'Bank seeks to increase the customer’s distribution channels outlets in order to increase the competitive advantage 'camelowest with average mean (2.87) with (0.67) Std.

Table (4) Raising facilitating actions (n=122)

No.	Statement (Raising facilitating actions)	Mean	Std
21	Improving service quality leads to increased sales and profits	3.12	0.56
22	Bank seeks to increase the customers distribution channels outlets in order to increase the competitive advantage	2.87	0.67
23	Increasing the quality of service offered increases customer confidence in the bank	4.12	0.78
24	Attracting competent employees and adopting modern technical methods will raise the level of service	3.69	0.63
25	The Bank work to increase its branches, increasing its market opportunities	3.17	0.81
26	The Bank increases its staff when necessary	3.28	1.08

6.5. Competitive advantage

As shown in table (5) the statistical means and standard deviations of competitive advantage are shown, Statement #31 that says "The Bank is constantly seeking scarce resources " came first with high mean (4.20) with (0.91) Std, while statement #27 that says "The Bank is keen to have valuable resources" came lowest with average mean (3.05) with (0.79) Std.

Table (5) competitive advantage (n=122)

No.	Statement (Competitive advantage)	Mean	Std
27	The Bank is keen to have valuable resources	3.05	0.79
28	The Bank examines its resources according to its strategic importance	3.34	0.83
29	Company make good relationship with suppliers	3.52	0.71
30	The Bank has resources capable of capturing external opportunities and avoiding threats	3.11	0.67
31	The Bank is constantly seeking scarce resources	4.20	0.91
32	The bank has resources and capabilities that are hard for competitors to imitate	3.52	1.02
33	The Bank has a system that encourages to attract unique and distinctive human resources	4.13	0.67
34	The Bank has good relationships with customers, suppliers, local communities	3.44	0.61

6.6 Hypotheses test of the study:

Hypothesis 1**:**There is no statistically significant effect of creating a new value on increasing competitive advantage.

To test this hypothesis, the simple regression coefficient analysis and its results are used in the following table (6): It can be seen from the table a positive correlation between the independent and dependent variable of where it reached the correlation coefficient (0.61). also the results of simple regression analysis showed influencesrelationship with statistically significant effect.Where the value of (f) (18.41) In terms of statistical less than (0.05) This is confirmed by(t) test. The results showed that the explanatory difference was (0.37) the effect of the independent variable in the dependent variable was 37%. In this result, the hypothesis of the (zero) study is rejected and accepted the alternative hypothesis which indicates this effect. (There is statistically significant effect of creating a new value on increasing competitive advantage).

Table (6) Model Summary

Model	R	R2	Adjusted R2	Std Error the Estimate
1	0.610a	0.37	0.31	4.14

a: predictors: (constant)

Anova

Model	Sum of square	Df	Mean square	F	Sig
1					
Regression	4.126	2	4.126	18.412	.000a
Residual	10.122	41	0.211		
Total	13.214	38			

a: predictors: (constant)
b: dependent variable (competitive advantage)

Coefficient

Model	Unstandardized Coefficient		Standardized Coefficient	T	Sig
	B	Std Error	Beta		
1 Constant	1.765	0.414	0.425	3.912	.000
Create new value	0.354	0.113		4.612	.000

a: dependent variable (competitive advantage)

Hypothesis 2: There is no statistically significant effect of reducing costs on increasing competitive advantage.

To test this hypothesis, the simple regression coefficient analysis and its results are used in the following table (7): It can be seen from the table a positive correlation between the independent and dependent variable of where it reached the correlation coefficient (0.52). also the results of simple regression analysis showed influences relationship with statistically significant effect. Where the value of (f) (11.24) In terms of statistical less than (0.05) This is confirmed by (t) test. The results showed that the explanatory difference was (0.26) the effect of the independent variable in the dependent variable was 26%. In this result, the hypothesis of the (zero) study is rejected and accepted the alternative hypothesis which indicates this effect. (There is statistically significant effect of reducing costs on increasing competitive advantage).

Table (7) Model Summary

Model	R	R2	Adjusted R2	Std Error the Estimate
2	0.521a	0.260	0.21	3.21

a: predictors: (constant)

ANOVA

Model	Sum of square	Df	Mean square	F	Sig
2					
Regression	6.475	2	6.475	11.24	.000a
Residual	7.112	41	0.231		
Total	12.217	38			

a: predictors: (constant)
b: dependent variable (competitive advantage)

Coefficient

Model	Unstandardized Coefficient		Standardized Coefficient	T	Sig
	B	Std Error	Beta		
2 Constant	0.974	0.378	0.526	5.240	.000
(Reducing costs)	0.814	0.136		4.387	.000

a: dependent variable (competitive advantage)

Hypothesis 3: There is no statistically significant effect of eliminate business factors on increasing competitive advantage.

To test this hypothesis, the simple regression coefficient analysis and its results are used in the following table (8): It can be seen from the table a positive correlation between the independent and dependent variable of where it reached the correlation coefficient (0.21). The results of simple regression analysis showed not influences relationship with statistically significant effect. Where the value of (f) (16.712) In terms of statistical more than (0.05) This is confirmed by (t) test. The results showed that the explanatory difference was (0.04) the effect of the independent variable in the dependent variable was 4%. In this result, the hypothesis of the (zero) study is accepted (There is no statistically significant effect of eliminate business factors on increasing competitive advantage).

Table (8) Model Summary

Model	R	R2	Adjusted R2	Std Error the Estimate
3	0.210a	0.04	0.01	1.02

a: predictors: (constant)

Anova

Model	Sum of square	Df	Mean square	F	Sig
3					
Regression	2.354	2	2.354	16.712	.061a
Residual	9.321	36	0.251		
Total	10.251	31			

a: predictors: (constant)
b: dependent variable (competitive advantage)

Coefficient

Model	Unstandardized Coefficient		Standardized Coefficient	T	Sig
	B	Std**Error**	Beta		
3 Constant	1.147	0.684	0.138	6.384	.062
Create new value	0.256	0149		2.471	.060

a: dependent variable (competitive advantage)

Hypothesis 4: There is no statistically significant effect of raising facilitating actions on increasing competitive advantage.

To test this hypothesis, the simple regression coefficient analysis and its results are used in the following table (9): It can be seen from the table a positive correlation between the independent and dependent variable of where it reached the correlation coefficient (0.591). also the results of simple regression analysis showed influences relationship with statistically significant effect. Where the value of (f) (26.81) In terms of statistical less than (0.05) This is confirmed by (t) test. The results showed that the explanatory difference was (0.34) the effect of the independent variable in the dependent variable was 34%. In this result, the hypothesis of the (zero) study is rejected and accepted the alternative hypothesis which indicates this effect. (There is statistically significant effect of raising facilitating actions on increasing competitive advantage).

Table (9) Model Summary

Model	R	R2	Adjusted R2	Std Error the Estimate
4	0.591	0.34	0.26	2.18

a: predictors: (constant)

Anova

Model	Sum of square	Df	Mean square	F	Sig
4 Regression Residual Total	 6.572 7.701 14.214	 1 50 51	 6.484 0152	26.817	 .000a

a: predictors: (constant)

b: dependent variable (competitive advantage)

Coefficient

Model	Unstandardized Coefficient		Standardized Coefficient	T	Sig
	B	Std Error	Beta		
4 Constant	0.584	0.514	0.635	2.697	.000
Create new value	0781	0.125		5.342	.000

a: dependent variable (competitive advantage)

With regard to the specific hypotheses, we found:

- Hypothesis 1:There is statistically significant effect of creating a new value on increasing competitive advantage.
- Hypotheses 2,There is statistically significant effect of reducing costs on increasing competitive advantage.
- Hypothesis 3,There is no statistically significant effect of eliminate business factors on increasing competitive advantage.
- Hypotheses 4, There is statistically significant effect of raising facilitating actions on increasing competitive advantage.

VII. Conclusion and Recommendations

According to data analysis we found that there were many results, the most important were;

1. There is strong significant and positive influence between (create new value, reducing cost, and raising facilitating actions) and competitive advantage.
2. There isn't significant influence between eliminating business factors and competitive advantage
3. Reducing costs and increasing profits depends on reducing the waste of production inputs with lower mean (2.85).
4. The exclusion policy is acceptable to the bank with highest mean (4.21).

The following recommendations are suggested:

1. Concentrate on innovation and creation policies in banks.
2. Create new ideas and motivating employees to support that.
3. Work at reducing waste production inputs.
4. Increase the customer's distribution channels outlets in order to increase the competitive advantage.

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