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Islamic windows in conventional Algerian Banks: Reality, components, and prospects: A case study of a group of Public Banks in Tiaret, Algeria

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Abstract---Islamic windows are considered one of the most crucial elements supporting the partial shift to Islamic banking because they help disseminate the participation culture, which has worked well in many nations, including those making the switch from conventional to Islamic banking. This study reveals that the current state of Algeria's Islamic windows prevents them from becoming capable of creating Islamic banking. The laws governing Islamic banking are just one of many issues and distinctions that hinder a full transition. Additionally, the elements of Algeria's Islamic windows do not align with the country's goals. As a result, the banking environment needs to be reexamined in light of the experiences of numerous nations that have successfully established Islamic windows and made notable progress towards establishing true Islamic banking.

Keywords---Islamic Banking, Islamic Windows, Banking Regulations, Financial Transition, participation Culture

Introduction

As the main source of funding for the country's economy, the banking sector is the target of significant reforms in Algeria. Law 10-90, which mandates that the banking system genuinely keep up with all advancements in the Islamic economy, is being reviewed as part of these reforms. Through Regulation 20/02, which created the legal foundation for these windows, the Algerian government started the process of establishing Islamic banking windows in numerous public banks. Nevertheless, the implementation of these windows is still ongoing, and it has not yet been proven that the Algerian banking system can support them.

The purpose of this study is to ascertain the degree to which the Algerian financial system can steer Islamic windows towards Islamic banking. This is accomplished by keeping an eye on the transactions that are gathered, their adherence to Islamic law, and the laws that regulate these windows.

The study's significance stems from the fact that Islamic windows are a crucial conduit for the conversion of traditional banking to Islamic banking. Starting with Islamic windows, several nations have been successful in bringing about a qualitative leap in the field of Islamic banking. One such example is the Kingdom of Saudi Arabia, which has made great progress in this area and is now a model that many other nations, including Algeria, can follow. The study's challenge is to ascertain Algeria's Islamic windows' current state and prospects. The following queries can be raised to address this issue:

1. Are Algerian Islamic banking windows successful?
2. Is the success of Islamic banking windows dependent on state banks investing in human resource development?
3. What are Algeria's chances for Islamic windows?

A series of theories was put out to address these queries:

1. In Algeria, Islamic banking windows are seen as successful.
2. Islamic windows have enough components to increase their effectiveness.
3. The prospects for Islamic windows demand that they be a part of Algeria's overall shift to Islamic banking.

Prior Research

Dr. Jaafar Hani Mohammed's paper "Islamic Finance in Conventional Banks as an Introduction to the Development of Islamic Banking in Algeria" appeared in the Journal of Algerian Institutional Performance, Issue 12/2017. The purpose of this study was to ascertain the degree to which traditional Algerian banks can integrate Islamic banking transactions as a prelude to a more thorough transformation via Islamic finance windows. According to the study's findings, Algerian banks' Islamic windows can help boost the country's banking system's effectiveness.

Researchers Younes Al-Zein and Emir Abdelkader Hafoudha's study, "The Reality of European Countries' Experiences in Opening Islamic Banking Window: Obstacles and Challenges," was published in the Journal of Economic

Development, University of Martyr HammaLakhdar, El Oued, Algeria, Issue 3, 2017. According to the study's findings, European nations' experiences with Islamic banking could be emulated, as they have achieved noteworthy results in comparison to traditional banking.

Researchers Maaizia Souad and Bouhaidar Rokia's paper, "Evaluating Islamic Banking Window in the Kingdom of Saudi Arabia," was a theoretical investigation that tackled the actuality of Islamic banking windows in the Kingdom. Due to its ability to undergo a full metamorphosis, this study deemed the Kingdom of Saudi Arabia's experience with the Islamic banking window to be successful.

To solve the study's difficulty and demonstrate the validity, we used a descriptive-analytical approach. The variables of the study were mentioned, including Islamic windows. The study, which was conducted in the field, looked at the existence of Islamic windows in several conventional banks in Tiaret Province and how well they may support the goal of creating fully Islamic banking. This study was split up into the following sections:

- ✓ The elements that make Islamic banking windows successful
- ✓ Some countries' experiences with Islamic windows
- ✓ An investigation of Algerian Islamic windows
- ✓

1. The Islamic Banking Windows' Success Factors

1.1. The Islamic Banking Windows Definition:

The IBWC are known more about these divisions within traditional banks that handle all banking operations in compliance with Islamic Sharia law. Another way to describe them is as offering Islamic financial services via a department that is constantly present in a traditional bank. In order to satisfy the demands of certain clients who do not want Islamic products and services offered by traditional banks, these banks have set aside space in their branches for them. (Farouk Al-Aabi, 2012: p.101).

1.2. Reasons behind the creation of Islamic windows:

One may say that different banks have different motivations for setting up Islamic windows. Any bank can, however, depart from a set of guidelines when setting up Islamic windows. Possibly the most crucial of these are Muhammad Jafar Hani (2017).

- ✓ It is a crucial strategy for drawing in Muslim investment;
- ✓ A way of drawing in investments that support Islamic banking;
- ✓ The significant rise in profits from Islamic finance operations in contrast to traditional finance operations;
- ✓ Establishing a banking company that complies with Islamic law and offers instruction in the area of windows that deal with Islamic financial products;
- ✓ The ability of Islamic financial institutions in certain nations to successfully offer services related to investment financing in compliance with Islamic law;

- ✓ Western banks are opening Islamic windows due to the high demand,

1.3. Challenges facing Islamic windows:

For Islamic banks to remain profitable, several issues in the Islamic banking system must be resolved. Possibly the biggest difficulties are:

- A. Administrative challenges:** Given future trends that call for a steady growth of the bank's management, these issues stem from bank workers' ambiguity regarding the management's plan if they intend to operate in Islamic banking.
- B. Policies and Systems:** Since this goes against the tenets of Islamic Sharia, many conventional banks that want to set up Islamic windows are unable to maintain the accounting independence of these windows.
- C. Customer Doubts:** Customers are afraid of new things since they don't know enough about them, especially when it comes to their religious views.
- D. Challenges related to Product Provision:** The Islamic banking industry faces numerous shortcomings since it offers fewer financial products than traditional banks.
- E- Competence of Human Resources:** Lack of qualified human resources is one of the most significant factors that can impact the Islamic banking sector after qualified human resources.

2. Countries' experiences with Islamic windows:

Through the use of Islamic windows, numerous institutions worldwide, especially in the Islamic world, are attempting to fully transition from conventional to Islamic banking.

2.1. Islamic windows in Saudi Arabia:

There are four Islamic banks in the Kingdom of Saudi Arabia. These coexist with traditional banks, like Al Rajhi Bank, Al Bilad Bank, Al Jazira Bank, and Alinma Bank, which are currently facing fierce competition from Islamic banks. These banks aimed to draw in a sizable number of people and organisations looking for financial products. Eight Islamic windows are anticipated for conventional banks by 2021; as a result of this, conventional institutions will be prompted to explore the potential of opening Islamic windows. (The Board for Islamic Financial Services)

Al Jazira Bank was the subject of the following analysis to look at the approach taken by banks in the Kingdom of Saudi Arabia (**Al-Gharib Nasser, 1996: p. 933**).

The following stages comprised the transformation process that Bank Aljazira went through:

Phase One: To help steer the bank in its new course, this step involved creating transformation teams and attempting to set up an Islamic banking division. After that, a Sharia Board was established, to which the bank might turn when it became necessary to examine its banking instruments, processes, and goods.

Phase Two: The bank is instructed to categorise its operations in compliance with the guidelines of Islamic Sharia. Since many of the services offered by banks are

based on commission and fee collection and were initially activities that complied with Islamic Sharia, it is evident that not all of their services are prohibited. From this vantage point, it can be concluded that, from a Sharia standpoint, about 40% of the bank's operations were permitted in the first phase, whereas 60% were usurious. Since they were thought to account for 40% of the bank's operations, the focus at the start of the transformation phase was on the permissible activities and the removal of Sharia law from them. 40% of banking operations were made Sharia-compliant after their documentation was examined and their Sharia soundness verified after being submitted to the Sharia Board.

Phase Three: Three ways are used to determine the methodology:

The first methodology: known as the zero-based methodology, is the process of creating an Islamic bank from the ground up and putting in place procedures that adhere to Islamic law.

The second methodology: known as the parallel lines methodology, focuses on establishing a small bank inside a larger bank that wants to change. The new bank builds its own clientele, autonomous capital, and future management. The little bank gradually increases its operations at the expense of the larger bank's operations.

The third methodology: known as the replacement approach, was created by Saudi Bank Al Jazira, which declared its intention to fervently convert to an Islamic bank within a certain amount of time. This approach is implemented in several steps, such as:

- ✓ Creating a variety of Sharia-compliant substitutes for conventional products;
- ✓ Establishing Sharia-compliant products following modifications and permission from the bank's Sharia Board;
- ✓ Regulating non-Sharia-compliant products by offering banking alternatives that comply with Sharia.

2.2. The Nigerian Experience: (Mofida Club, Maghatat Sabrina, 2014)

Compared to traditional finance, Islamic finance is a relatively new idea in Nigeria, but it aims to grow and flourish to a great degree. Habib Bank, the first Nigerian conventional bank to be granted permission to open an Islamic banking window, is perhaps one of the country's most significant banks. This occurred following the amendment of the Banking and Other Financial Institutions Act (BOFIA) in 1992.

In 1999, the window opened for business. PHB Bank was established in 2019 as a result of the merger of Habib Bank and Platinum Bank in 2005. As shown in the following table, the banking industry's performance is still poor despite its efforts:

Table 1: Financial Performance Evaluation (December 2015-2016)

| | Traditional Banks (million dollars) | Non-Profit Banks (million dollars) | Total Industry (million dollars) | Percentage of Non-Profit Banks | Growth Rate of Traditional Banks |
|--------------|--|---------------------------------------|-------------------------------------|--------------------------------|----------------------------------|
| 2016 | | | | | |
| Total Assets | 98,473,33 | 226,86 | 98,705,54 | 0,023 | 11,76 |

| | | | | | |
|----------------|------------------|---------------|---------------|-------------|--------------|
| Total Deposits | 60,575,76 | 164,53 | 60,740 | 0,27 | 6,15 |
| Total Credit | 53,131,3 | 111,55 | 53,247 | 0,22 | 21,98 |
| 2015 | | | | | |
| Total Assets | 81,111,92 | 117,48 | 88,289 | 0,2 | / |
| Total Deposits | 57,066,86 | 129,82 | 57,197 | 0,23 | / |
| Total Credit | 43,558,06 | 83 | 43,641 | 0,19 | / |

Source: Mufida Club, Sabrina's Murders, previous reference, p. 408

3. An Investigation into Algerian Islamic Window Services

Using statistical tools for analysis and sample study, a questionnaire was created to track employee replies across its sections to comprehend the reality of Islamic window services in Algeria (agency offices of some commercial banks).

3.1. Determining the sample population: 30 employees were chosen as the sample size, and the results were representative of a collection of banking agencies including (CPA, BADR, and BEA).

3.2. The nature questionnaire: To gather information from staff members in different bank agencies, a questionnaire was used. The questionnaire was divided into two sections: one that contained the sample's personal information and another that had axes that made up the study, each of which had a set of statements. The following table was used to determine the numbers for the five-point Likert scale, which is what we utilized.

Table 2: Likert's scale

| | | | | | |
|-----------------|-------------------|----------|----------|----------|----------------|
| Relative weight | 1 | 2 | 3 | 4 | 5 |
| Opinion | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |

Source: Prepared by the researchers based on SPSS outputs

3.3. Testing the study axes for validity and reliability:

Table 3: Testing the study axes for validity and reliability

| | | |
|-----------|----------------------|-------------------------|
| Axes | Number of paragraphs | Reliability coefficient |
| Axe one | 11 | 0.779 |
| Axe two | 11 | 0.775 |
| Axe three | 9 | 0.790 |

Source: Prepared by the researchers based on SPSS outputs

The table shows that all of the axes had reliability rates above 60%, which is a statistically acceptable number. Given that the study instrument comprised validity and reliability, the Cronbach's alpha coefficient increased positively for the entire questionnaire, reaching 0.754, or 75%, which is a respectable proportion.

3.4. Distribution of study sample members by variables

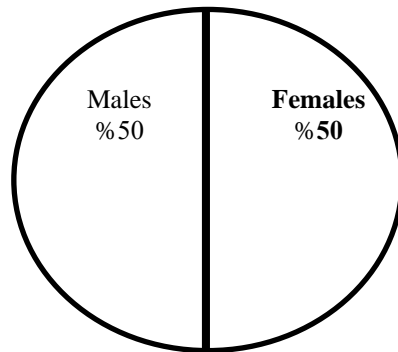
A- Distribution of sample members by gender variable

Table 4: Distribution of sample members by gender variable

| Variable | Category | Number | Percentage |
|----------|----------|--------|------------|
| Gender | Male | 15 | 50% |
| | Female | 15 | 50% |
| | Total | 30 | 100% |

Source: Prepared by the researchers based on SPSS outputs

The table above demonstrates that the sample under investigation was evenly split between males and females. This underscores the recent trend of women joining their male counterparts in Islamic banking. We have observed that women are more inclined to complete the questionnaire.



A- Distribution of sample members according to age group variable

Table 5: Distribution of sample members by age group variable

| Variable | Category | Number | Percentage |
|----------|---------------|--------|------------|
| | From 25 to 35 | 19 | 63.3% |
| | From 36 to 45 | 6 | 20% |
| | More than 45 | 5 | 16.7% |

Source: Prepared by the researchers based on SPSS outputs

The table above shows that young individuals between the ages of 25 and 35 make up the largest age group. This suggests that young individuals are more inclined to seek Islamic banking training and that Islamic banking may suffer as a result of their inexperience with traditional banking.

A- Distribution of sample members by educational level variable:

Table 6: Distribution of sample members by educational level

| Variable | Academic Level | Number | Percentage |
|-----------------------|-----------------------|--------|------------|
| Academic Level | Below secondary level | 2 | 6.7% |
| | Secondary | 6 | 20% |
| | Bachelor's | 2 | 6.7% |
| | Master's | 18 | 60% |
| | Doctorate | 2 | 6.7% |

Source: Prepared by the researchers based on SPSS outputs

As can be seen from the above table, the bulk of the personnel under study, roughly 60% of the sample, have master's degrees. Given that the majority of personnel have academic backgrounds that foster an environment conducive to their training, this positive percentage shows that Islamic banking offers learning opportunities. This suggests that hiring academics and recent grads is the emerging trend for banks.

3.5. Studying the trends of sample individuals according to the study axes

A- Studying the trends of sample members according to the axis of the success factors of Islamic windows.

Table 7: Study of sample members' trends according to the axis of the success factors of Islamic window

| Axis One: Elements of Success for Islamic Window Services | Frequencies and percentages | | | | | | Statistical methods | | | |
|---|-----------------------------|----------------|-------|---------|-------------------|----------|---------------------|--------------------|-------|---------|
| | Scale | Strongly agree | Agree | Neutral | Strongly disagree | Disagree | Arithmetic median | Standard deviation | Order | Trend |
| The legal environment provides all procedures related to Islamic windows. | Number | 2 | 12 | 6 | 8 | 2 | 3.13 | 1.106 | 11 | Average |
| | % | 6,7 | 40 | 20 | 20,7 | 6,7 | | | | |
| Algerian banking environment contributes significantly to the success of Islamic windows | Number | 2 | 18 | 9 | 1 | / | 3.70 | 0.651 | 4 | High |
| | % | 6,7 | 60 | 30 | 3,3 | / | | | | |
| Islamic windows are committed to accounting and financial independence from Islamic banks | Number | 4 | 8 | 14 | 3 | 1 | 3.37 | 0.964 | 9 | Average |
| | % | 13,3 | 26,7 | 46,7 | 10 | 3,3 | | | | |
| The bank's Sharia Supervisory | Number | 10 | 8 | 9 | 1 | 2 | 3.77 | 1.165 | 3 | High |
| | % | 33.3 | 26.7 | 30 | 3.3 | 6.7 | | | | |

| | | | | | | | | | | |
|---|--------|------|------|------|------|------|------|-------|----|-----------|
| Board works to remove ambiguity | | | | | | | | | | |
| The bank's management provides incentives to Islamic windows' employees | Number | 2 | 13 | 9 | 5 | 1 | 3.33 | 0959 | 10 | Average |
| | % | 6.7 | 43.3 | 30 | 16.7 | 3.3 | | | | |
| The bank's management is committed to providing training courses for Islamic windows' employees | Number | 13 | 10 | 7 | / | / | 4.20 | 0.805 | 1 | Very High |
| | % | 43.3 | 33.3 | 23.3 | / | / | | | | |
| How convinced are you of the methods of human resource development in Islamic banking ? | Number | 4 | 16 | 3 | 2 | 5 | 3.40 | 1.303 | 8 | High |
| | % | 13.3 | 53.3 | 10 | 6.7 | 16.7 | | | | |
| Years of experience in conventional banks affect the performance of | Number | 8 | 15 | 4 | 2 | 1 | 3.90 | 0.995 | 2 | High |
| | % | 26.7 | 50 | 13.3 | 6.7 | 3.3 | | | | |

| | | | | | | | | | | |
|--|--------|------|------|------|-----|----|------|-------|---|---------|
| Islamic windows | | | | | | | | | | |
| Human resource performance in Islamic windows is periodically evaluated The bank's wage system is considered appropriate | Number | 4 | 13 | 12 | 1 | / | 3.67 | 0.758 | 5 | High |
| | % | 13.3 | 43.3 | 40 | 3.3 | / | | | | |
| The bank's Salary system is considered appropriate parent bank | Number | 2 | 5 | 12 | 2 | 9 | 2.63 | 1.273 | 6 | Average |
| | % | 6.7 | 16.7 | 40 | 6.7 | 30 | | | | |
| Large amounts of money are deposited in Islamic windows, which can generate significant profits for the parent bank. | Number | 4 | 15 | 8 | 3 | / | 3.67 | 0.844 | 7 | High |
| | % | 13.3 | 50 | 26.7 | 10 | / | | | | |

Source: Prepared by the researchers based on SPSS outputs

The table above indicates that Statement 6 received the highest ranking, with an arithmetic mean of 4.20 and a standard deviation of 0.805. This suggests a strong trend, as most employee respondents agreed that management and the bank are committed to providing training tools for Islamic window employees. This commitment significantly contributes to human resource investment to enhance Islamic banking performance.

Statement 8 followed closely, with an arithmetic mean of 3.90 and a standard deviation of 0.995. This also reflects a high trend, as most respondents believed that years of experience in conventional banks can impact the performance of Islamic windows, both positively and negatively.

In conclusion, we can say that the first axis, as a whole, had an arithmetic mean of approximately 3.5242 and a standard deviation of 0.56, indicating an upward trend. This suggests that a significant number of respondents believe there are sufficient factors for the success of Islamic windows. A few key points to consider are:

- ✓The supervisory authority is actively working to eliminate ambiguity.
- ✓Years of experience in conventional banks influence the performance of Islamic windows.

A- Studying the trends of sample members according to the axis of the reality of Islamic windows

Table 8: Study of sample individuals' attitudes according to the axis of the reality of Islamic windows

| Axis II: The reality of Islamic windows | Frequencies and percentages | | | | | | Statistical methods | | | |
|--|-----------------------------|----------------|-------|---------|-------------------|----------|---------------------|--------------------|-------|---------|
| | Scale | Strongly agree | Agree | Neutral | Strongly disagree | Disagree | Arithmetic median | Standard deviation | Order | Trend |
| There is intense competition with foreign banks dealing in Islamic finance | Number | 9 | 11 | 4 | 6 | / | 3.77 | 1.104 | 3 | High |
| | % | 30 | 36.7 | 13.3 | 20 | / | | | | |
| Advertising Islamic financial products is difficult | Number | 1 | 11 | 13 | 5 | / | 3.70 | 0.651 | 4 | High |
| | % | 3.3 | 36.7 | 43.3 | 16.7 | / | | | | |
| There is a shortage of human resources to manage Islamic windows | Number | 9 | 14 | 5 | 2 | / | 4 | 0.871 | 2 | High |
| | % | 30 | 46.7 | 16.7 | 6.7 | / | | | | |
| Islamic windows are required to | Number | 2 | 12 | 10 | 6 | / | 3.33 | 0.884 | 8 | Average |
| | % | 6.7 | 40 | 33.3 | 20 | / | | | | |

| | | | | | | | | | | |
|--|--------|------|------|------|------|------|------|-------|----|---------|
| adhere to the legal reserve ratio imposed by the Central Bank | | | | | | | | | | |
| The parent bank imposes regulations on Islamic windows that contradict the purpose for which they were established | Number | 4 | 2 | 16 | 4 | 4 | 2.93 | 1.143 | 11 | Average |
| | % | 13.3 | 6.7 | 53.3 | 13.3 | 13.3 | | | | |
| Disclosure and transparency are available in the area of profit sharing | Number | 4 | 15 | 10 | / | 1 | 3.70 | 0.837 | 4 | High |
| | % | 13.3 | 50 | 33.3 | / | 3.3 | | | | |
| Some customers are reluctant to deal with a bank that offers duplicate services | Number | 3 | 14 | 13 | / | / | 3.67 | 0.661 | 5 | High |
| | % | 10 | 46.7 | 43.3 | / | / | | | | |
| There are inconsistencies | Number | 4 | 12 | 6 | 8 | / | 3.40 | 1.037 | 7 | High |
| | % | 13.3 | 40 | 20 | 26.7 | / | | | | |

| | | | | | | | | | | |
|---|--------|------|------|------|------|-----|------|-------|----|-----------|
| in the application of Islamic financial product standards | | | | | | | | | | |
| Transactions proven to be inconsistent with Sharia law continue to be concluded | Number | / | 10 | 15 | 5 | / | 3.17 | 0.699 | 10 | Average |
| | % | / | 33.3 | 50 | 16.7 | / | | | | |
| Islamic windows require other Islamic financial products | Number | 11 | 13 | 4 | / | / | 4.23 | 0.679 | 1 | Very High |
| | % | 36.7 | 50 | 13.3 | / | / | | | | |
| Islamic windows resort to the central bank in cases of urgent need | Number | 4 | 12 | 12 | / | 2 | 3.53 | 0.973 | 6 | High |
| | % | 13.3 | 40 | 40 | / | 6.7 | | | | |

Source: Prepared by the researchers based on SPSS outputs

In conclusion, the first axis showed an overall arithmetic mean of approximately 3.5242 and a standard deviation of 0.56, indicating an upward trend. This suggests that a significant number of respondents believe there are ample factors contributing to the success of Islamic windows. Here are a few key points to consider:

- The supervisory authority is actively working to eliminate ambiguity.
- Years of experience in conventional banks positively influence the performance of Islamic windows.

The table above indicates that Statement No. 10 ranked first, with an arithmetic mean of 4.23, reflecting a very high trend. This demonstrates that the majority of respondents stressed the need to adopt additional Islamic financial products for Islamic windows.

Following closely was Statement No. 3, which ranked second with an arithmetic mean of 4. This also suggests that a large number of respondents believe in the necessity of providing sufficient human resources to manage Islamic windows, with some indicating that there is no shortage of such resources.

Lastly, Statement No. 1 ranked third, with an arithmetic mean of 3.77. This high trend indicates that many respondents agree with the statement "There is fierce competition with foreign banks that deal with Islamic finance" as part of the second dimension, "The Reality of Islamic Windows".

In conclusion, it can be stated that the total arithmetic mean is 3.545, indicating a strong positive trend. The standard deviation of 0.48105 suggests that there is a significant group of individuals who recognize that the reality of Islamic windows is conducive to development and provides a suitable environment for growth.

A- Studying the attitudes of sample members according to the Islamic windows horizons axis

Table 9: Studying the attitudes of sample members according to the Islamic windows horizons axis

| Third Axis: Prospects for Islamic Window Services | Frequencies and percentages | | | | | | Statistical methods | | | |
|--|-----------------------------|-------------------|-------|---------|----------------------|----------|----------------------|-----------------------|-------|--------------|
| | Scale | Strongly agree | Agree | Neutral | Strongly disagree | Disagree | Arithmetic median | Standard deviation | Order | Trend |
| The parent bank aspires to qualify employees by organizing specialized training programs in Sharia contracts | Number | 8 | 15 | 7 | / | / | 4.03 | 0.718 | 5 | High |
| | % | 26.7 | 50 | 23.3 | / | / | | | | |
| The bank seeks to acquire a large segment of customers seeking Islamic financial products | Number | 56.7 | 33.3 | 10 | / | / | 4.47 | 0.681 | 1 | Very High |
| | % | 17 | 10 | 3 | / | / | | | | |
| The bank aspires to amend its contract and bylaws to | Number | 8 | 16 | 6 | / | / | 4.07 | 06.91 | 2 | High |
| | % | 26.7 | 53.3 | 20 | / | / | | | | |

| | | | | | | | | | | |
|--|--------|------|------|----|-----|-----|------|-------|---|------|
| become a legitimate bank | | | | | | | | | | |
| The parent bank, through its Islamic Window Services, aspires to fully transform into an Islamic banking institution | Number | 8 | 12 | 6 | 2 | 2 | 3.73 | 1.143 | 7 | High |
| | % | 26.7 | 40 | 20 | 6.7 | 6.7 | | | | |
| The parent bank seeks to acquire new customers through its Islamic Window Services | Number | 9 | 14 | 6 | 1 | / | 4.03 | 0.809 | 4 | High |
| | % | 30 | 46.7 | 20 | 3.3 | / | | | | |
| The Islamic Window Services strive to offer a variety of financing options, which will help stimulate investment | Number | 8 | 16 | 6 | / | / | 4.07 | 0.691 | 3 | High |
| | % | 26.7 | 53.3 | 20 | / | / | | | | |
| The Islamic | Number | 7 | 4 | 16 | 2 | 1 | | | | |

| | | | | | | | | | | |
|---|--------|------|------|------|------|-----|------|-------|---|------|
| Window Services aspire to utilize blockchain technology | % | 23.3 | 13.3 | 53.3 | 6.7 | 3.3 | 3.47 | 1.042 | 8 | High |
| The Islamic Window Services are establishing the use of smart Islamic Sukuk to attract the largest possible pool of capital | Number | 3 | 20 | 6 | 1 | / | 3.83 | 0.648 | 6 | High |
| | % | 10 | 66.7 | 20 | 3.3 | / | | | | |
| The Islamic Window Services work to open accounts for customers without them having to visit a bank branch | Number | 8 | 6 | 9 | 5 | 2 | 3.43 | 1.251 | 9 | High |
| | % | 26.7 | 20 | 30 | 16.7 | 6.7 | | | | |

Source: Prepared by the researchers based on SPSS outputs

The table shows that Statement No. 2 received the highest ranking, with an arithmetic mean of 4.47 and a standard deviation of 0.681. This suggests that the bank aims to attract a significant number of customers interested in Islamic financial products. Following closely, Statement No. 3 had an arithmetic mean of 4.07 and a standard deviation of 0.691, indicating that many respondents believe the bank is looking to revise its contracts and bylaws to ensure compliance. This also suggests that conventional banks are eager to transition to Islamic banking.

Statement No. 6 reports an arithmetic mean of 4.07 and a standard deviation of 0.691, highlighting the efforts of Islamic windows to adopt a comprehensive approach to financing methods. This approach facilitates capital rising and stimulates investment. In conclusion, the dimension shows an arithmetic mean of 3.9037 and a standard deviation of 0.53.

The prospects for Islamic windows reveal an upward trend, suggesting that the statements within this dimension point towards a future phase of development for Islamic windows. This development could provide a competitive advantage for conventional banks seeking to transition into Islamic banks.

Table 10: Correlation Coefficient

| | Prospects of Islamic Windows | Components of Islamic Windows |
|----------------------------|------------------------------|-------------------------------|
| Reality of Islamic Windows | 0,146 | 0,217- |
| SING | 0,250 | 0,456 |

Source: Prepared by the researchers based on SPSS outputs

The table clearly shows that the correlation coefficient between the independent variables (the horizons of Islamic windows and the components of Islamic windows) and the dependent variable (the reality of Islamic windows) is not statistically significant. This suggests that the independent variables do not correlate with the dependent variable. The correlation coefficient between the horizon variable and the reality of Islamic windows is quite weak, at a value of 0.146. The correlation coefficient between the components of Islamic windows and the realities of these windows was found to be -0.227. This indicates that there is a disconnection between the actual performance of Islamic windows and their envisioned prospects.

Additionally, the existing components of Islamic windows do not align with their current reality. Consequently, there is a need to reassess the regulations governing these windows and the banking system as a whole to ensure they keep pace with developments and fulfill their intended goals. This can be achieved by clearly defining the prospects for Islamic windows.

Conclusion

Islamic windows can be viewed as a vital tool for facilitating a comprehensive transition to Islamic banking. This transition requires a supportive environment, known by a robust banking system that can provide the necessary mechanisms for the success of these Islamic windows.

Conventional banks are now favouring the development of these windows to ensure compliance with Islamic law. In Algeria, however, Islamic windows have faced numerous challenges and have been influenced by various factors. This research has explored these issues, leading to several key conclusions.

Islamic banking can be accessed efficiently through Islamic windows. Islamic windows provide effective access to Islamic banking.

- Islamic windows have been successfully implemented in numerous nations.
- The Islamic windows' actual state does not offer a suitable framework for their creation and application.
- In Algeria, Islamic banking is hampered by numerous issues.
- The system does not have a suitable marketing tool.

Recommendations:

- Amend the legal framework in Algeria to facilitate the practical implementation of Islamic windows.

- Learn from successful experiences in the development of Islamic windows.
- Focus on the growth and development of Islamic financial markets.
- Encourage investment in Islamic banking.
- Promote the direction of savings towards Islamic windows to foster a culture of Islamic banking.
- Introduce new Islamic financial products.

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