An -Najah National University

Faculty of Engineering and Information Technology

Industrial Engineering Department

Graduation project 2

Analytical study for establishing a branch of Al Naseem Exchange Company

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This project was presented in partial fulfillment of the requirements for the bachelor's degree in industrial engineering

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Abstract

This study explores the strategic issues and challenges limiting the development of currency exchange companies in the northern West Bank, with a special focus on transforming *Al-Naseem Exchange* into a model financial institution. The currency exchange sector is composed of financial entities that buy and sell currencies for individuals and businesses according to market fluctuations, offering secure and fast services while complying with legal and regulatory frameworks.

The research aimed to build a clear strategic vision through a comprehensive feasibility study to improve Al-Naseem Exchange's performance and competitiveness at the local, regional, and international levels. A quantitative descriptive-analytical approach was employed. Data was collected from 20 randomly selected family-owned exchange companies, and a customer-focused questionnaire was distributed to evaluate client satisfaction and service expectations. Data analysis was conducted using Excel.

In the second phase of the project, a SWOT analysis was conducted to assess Al-Naseem Exchange's strengths, weaknesses, opportunities, and threats compared to its competitors. Additionally, a detailed customer survey was conducted to evaluate multiple dimensions of service quality, such as tangibility, reliability, responsiveness, assurance, and empathy. The questionnaire also addressed customer satisfaction, security concerns, and suggestions for service improvement.

The results revealed that most currency exchange companies still rely heavily on traditional channels and offer limited service diversification. The survey findings highlighted gaps between customer expectations and actual service delivery, particularly in digital accessibility and speed. Based on these insights, a strategic development plan was proposed to enhance Al-Naseem Exchange's digital infrastructure, diversify services, improve staff training, and strengthen cybersecurity measures.

This study contributes valuable insights into customer behavior, operational gaps, and strategic planning in the currency exchange sector, offering a roadmap for sustainable growth and service excellence.

Chapter 1

Introduction

1.1 Introduction

The global economy is increasingly shifting towards investment in the services sector, which is a key indicator of a country's progress and competitive capacity. One of the most important fields within this sector is the financial services industry, particularly banking and currency exchange, which play a vital role in supporting the economy and strengthening financial stability.

The currency exchange sector represents a critical pillar of financial infrastructure in any developed economy. As a complementary partner to the banking system, this sector facilitates financial transactions and ensures the availability of foreign currencies for individuals and institutions.

In Palestine, this sector has evolved significantly since the establishment of the Palestinian Authority. A major milestone was the issuance of a modern licensing and monitoring system by the Palestinian Monetary Authority in 2008, bringing regulatory practices in line with international standards. Prior to this, the sector operated under occupation-imposed restrictions with limited currencies and informal regulation.

However, despite this progress, most Palestinian exchange companies remain family-owned businesses operating with limited resources and outdated models that do not align with international best practices. Their services are often basic, failing to meet the growing demands of an evolving market.

This project responds to that gap by conducting a comprehensive feasibility study to transform Al-Naseem Exchange into a model company that offers high-quality, innovative, and secure services in line with global standards. The project goes beyond theoretical analysis by incorporating SWOT analysis, a detailed client satisfaction survey, and practical development strategies based on real data and customer insights.

1.2 Problem Statement

Despite the importance of the currency exchange sector in Palestine in enhancing economic stability, the findings of the first graduation project revealed that this sector still faces serious challenges. Many companies struggle with regulatory compliance, lack of digital transformation, limited service diversification, and the absence of long-term strategic planning.

This project aims to examine these challenges in-depth and propose a practical development plan for Al-Naseem Exchange as a case study. The study addresses not only internal issues (e.g., operational weaknesses and outdated practices) but also external threats (e.g., market saturation, legal barriers, and technological lag).

Through SWOT analysis and a detailed customer experience survey, the project aims to identify opportunities for improvement and propose a sustainable business model. This model will strengthen Al-Naseem's market position and set a precedent for broader sector development in Palestine.

1.3 Research Objectives

Main Objectives:

- Conduct a comprehensive analysis of the Palestinian exchange market using both institutional and customer data.
- Develop a globally competitive business model for Al-Naseem Exchange.
- Evaluate the financial feasibility of the proposed development directions.

Secondary Objectives focusing on Al-NaseemExchange :

- Expand service offerings to meet unmet customer needs.
- Improve the technological and administrative infrastructure.
- Enhance security and transparency to build customer trust.
- Identify growth opportunities based on SWOT and survey results.
- Establish a scalable institutional framework for long-term success

1.4 Importance of the Study

This study is significant for several reasons:

- It provides a **modern institutional model** for exchange companies in Palestine based on international best practices.
- It uniquely incorporates **primary data sources** through a customer satisfaction survey and SWOT analysis, offering real-time insights into the sector's operational gaps.
- It offers **practical and scalable solutions** that can be adopted by other companies across Palestine.
- It supports **financial inclusion** by proposing services that cater to underserved communities.
- It contributes to the **digital transformation** of the sector and aligns Palestinian practices with international financial standards.

1.5 Report Organization

This study consists of five chapters. The first chapter addresses the general background of the study and includes the introduction, the problem, its importance, and objectives. The second chapter covers the study methodology, which includes the preparation of the questionnaire directed at clients of Palestinian currency exchange companies and a comprehensive presentation of the tools used. The third chapter includes a market analysis, which involves a SWOT analysis and an analysis of the clients' questionnaire results, leading to findings that can be used to develop Al-Naseem Exchange Company. The fourth chapter focuses on the strategic development of Al-Naseem Company, while the fifth chapter presents the operational costs and setup costs of the company.

Chapter 2

Methodology

2.1 Overview

This section aims to clarify the tools and methods used to collect and analyze data in this study. A carefully selected sample includes currency exchange companies in Palestine, especially in Nablus, Jenin, Tulkarm, and Ramallah, as well as a sample of 250 customers from various areas. Data collection methods included questionnaires directed to the owners and managers of currency exchange companies, as well as an electronic survey targeting customers to evaluate their experience and the quality of services provided, focusing on the gaps between customer expectations and actual services. Interviews were also conducted with key company managers to gain in-depth insights. Data analysis was performed using Excel to ensure accuracy and achieve the study objectives.

2.2.1 Study Population

The study population consists of currency exchange companies operating in the main cities of Palestine (Nablus, Jenin, Tulkarm, Ramallah), in addition to the customers who deal with these companies. This population was selected due to the importance of the currency exchange sector in the Palestinian economy and the need to improve the quality of services provided. Additionally, customers of currency exchange companies from various regions were selected to study beneficiary perspectives and evaluate their experiences with these companies.

2.2.2 Sample

An exploratory sample was selected from the most important and largest currency exchange companies in the four targeted cities, including 20 companies (five companies in each city). Moreover, a sample of 250 customers representing the beneficiaries of these companies' services was selected, and electronic questionnaires were distributed to them to gather data on their satisfaction with services, security of operations, speed of completion, and challenges they face. This diversity in the sample helped to obtain a comprehensive picture of the current situation of currency exchange companies from both the companies' and customers' perspectives.

2.2.3 Study Tools

The study tools included a questionnaire directed at the owners and managers of currency exchange companies to assess administrative, operational, and quality aspects in these companies, in addition to interviews with company managers. An electronic questionnaire was also designed for customers to evaluate the quality of services, security, speed of completion, and

the extent to which the services meet their needs, focusing on their experiences and problems that might affect their satisfaction.

2.2.4 Questionnaire Validity

The questionnaires were reviewed with the academic supervisor and relevant experts to ensure comprehensiveness and quality of the questions. They were developed to cover key areas such as administration, quality, marketing, financial performance, safety, security, and technology. Quality of service standards and customer satisfaction metrics were considered in developing the electronic customer questionnaire, which enhanced the tools' ability to assess the reality of companies from all angles.

2.2.5 Data Collection

Data was collected through field visits, interviews with currency exchange company managers, and filling out paper and electronic questionnaires. An electronic questionnaire was distributed to 250 customers to directly collect information about the quality of services provided, operational security, waiting times, and ease of dealing with currency exchange companies, which allowed obtaining comprehensive data reflecting the market reality from both companies' and customers' viewpoints.

2.2.6 Data Analysis

In the first project, a questionnaire was directed to currency exchange companies within the selected sample. Data was collected and analyzed using Excel to identify the companies' challenges and problems, as well as to determine strengths, gaps, and areas for improvement in the exchange sector.

Building on that, in the second project, an electronic questionnaire was distributed to 250 customers, and the results were analyzed using MiniTab to uncover gaps between customer expectations and the services provided.

This dual analysis contributed to data-driven recommendations for developing a model currency exchange company that complies with international best practices.

Chapter 3

Market analysis

3.Market and Competitor Analysis

Market research is an analytical process aimed at understanding the factors influencing the market, such as market size, market share, and customer behavior, to assess opportunities and challenges and enhance the competitiveness of companies.(Dr. Samia Lahoul,2023)

Market research helps identify the opportunities and challenges that companies face in a specific sector, enabling them to make strategic decisions based on accurate data. One of the most important tools used to analyze the competitive environment and assess the company's current situation is the SWOT analysis, which highlights internal strengths and weaknesses, as well as external opportunities and threats.

In this section, a SWOT analysis will be conducted for Al-Naseem Exchange in comparison with its competitors in the exchange sector, in order to identify the areas that need improvement and to enhance competitive capability.

3.1 SWOT Analysis

SWOT analysis is a strategic tool used to analyze both the internal and external environment of organizations. The aim of this analysis is to identify the organization's strengths and weaknesses, as well as the opportunities and threats it faces in the external environment. The analysis consists of four main elements(Sarmad Ismail Khalil):

- **Strengths**: Positive aspects that distinguish the organization and represent sources of its superiority over competitors.
- **Weaknesses**: Negative aspects that hinder the organization's performance or reduce its competitiveness.
- **Opportunities**: External factors that the organization can benefit from to improve its performance and increase its success.
- **Threats**: External factors that could negatively affect the organization and expose it to risks.

SWOT analysis is used to assist organizations in making strategic decisions by improving the exploitation of opportunities and strengthening strengths, while working on reducing weaknesses and overcoming threats.

"SWOT Analysis of Al-Naseem Exchange Company

3.1.1 SWOT Analysis of Al-Naseem Exchange company

Before presenting the SWOT analysis in detail, it is essential to understand the multi-dimensional nature of Al-Naseem Exchange's performance.

To gain a clearer picture of the company's current situation and competitive positioning, a comprehensive SWOT analysis has been conducted across six key operational areas: the administrative aspect, service quality and customer needs, marketing, safety and security, financial performance, and the use of technology.

This analysis aims to evaluate internal strengths and weaknesses, alongside external opportunities and threats, within each area. By breaking down the evaluation into specific operational dimensions, we are better able to pinpoint areas that require development and to formulate targeted strategies that enhance the overall competitiveness of Al-Naseem Exchange in the currency exchange market.

3.1.1.1Administrative Aspect

Table(1)Internal and External Environment Analysis (SWOT) for Al-Naseem Exchange

SWOT Analysis for Al-Naseem Exchange	
Strengths	**Weaknesses**
• Clear organizational structure • Availability of work tools and resources • Compliance with banking regulations	• Lack of a clear vision and mission • Absence of a strategic plan and goals • Lack of customer complaint handling

• Performance measurement indicators • Initial training programs	• Weak internal communication • No internal system for organizing operations • Weak performance evaluation and rewards system
Opportunities	**Threats**
• Potential to develop a strategic plan • Improving customer service • Enhancing internal communication systems • Developing internal systems • Opportunities for performance evaluation improvement	• Strong competition • Weak company response to market changes • Customer dissatisfaction • Compliance risks • Negative impact on company reputation

The administrative SWOT analysis highlights several internal strengths for Al-Naseem Exchange, such as a clear organizational structure, availability of resources, and compliance with banking regulations. These elements create a solid foundation for operational efficiency. However, the company faces notable weaknesses, including the absence of a clear vision and strategic plan, as well as poor internal communication and performance management systems.

To address these challenges, the company has the opportunity to develop a comprehensive strategic plan and improve internal communication and service delivery mechanisms. Enhancing internal systems and implementing a more effective performance evaluation framework could also contribute to improved employee engagement and operational outcomes.

Nevertheless, the presence of strong competitors and the company's weak response to market changes pose significant threats. If not addressed, these issues could lead to customer dissatisfaction and reputational risks. Therefore, prioritizing administrative reforms is crucial to strengthening Al-Naseem's competitive position in the market.

3.1.1.2 Service Quality & Customer Needs Analysis

Table(2)SWOT Analysis of Customer Relationship and Service Quality at Al-Naseem Exchange

SWOT Analysis for Al-Naseem Exchange	
Strengths	**Weaknesses**
• Providing High-Quality Services • Commitment to Quality Standards • Regular Service Updates • Providing Quick Solutions for Customer Needs • Flexible Working Hours	• Lack of Regular Studies to Understand Customer Needs • Weak Communication Channels with Customers
Opportunities	**Threats**
• Potential to Improve Communication Channels • Conducting Regular Customer Research • Improving Customer Experience • Expanding Service Range	• Losing Customers to Competitors • Changing Customer Needs • Strong Competition • Market Developments

After conducting the SWOT analysis for Al-Naseem Exchange, it is clear that the company has several strengths that distinguish it in the market. These include providing high-quality services and commitment to quality standards, in addition to regularly updating services to meet customer needs. The company also offers quick and flexible solutions that fulfill customer requirements, operating with flexible working hours to facilitate access at different times.

However, some weaknesses have emerged that may affect the company's performance, including the lack of regular studies to accurately understand customer needs and weak communication channels with customers. This may limit the company's ability to quickly adapt to market changes and effectively respond to customer expectations.

Regarding the available opportunities, there are significant possibilities to enhance the company's performance by improving communication channels with customers through the use of digital technologies and conducting regular research to better understand customer trends. Additionally, improving the customer experience and expanding the range of services offered present opportunities for growth and differentiation in the market.

On the other hand, the company faces clear threats in the form of losing customers to competitors due to the constant changes in market needs and strong competition in the exchange sector. Moreover, rapid market developments require the company to be flexible and innovative to maintain its competitive position.

Based on this analysis, it is recommended that Al-Naseem Exchange focuses on developing regular research mechanisms to understand customers and their needs, improving both digital and traditional communication channels, expanding services, and enhancing the customer experience to boost loyalty. Monitoring competitors and adapting to market developments are essential steps to maintain the company's position and future growth.

3.1.1.3 Marketing side

Table(3)SWOT Analysis of Marketing Strategy and Digital Presence at Al-NaseExchan

SWOT Analysis	
Strengths	**Weaknesses**
• Regularly conducts market research to understand trends. • Actively monitors and analyzes competitors' strategies.	• There is no effective use of customer data analysis to understand their behavior. • There is no clear and written marketing plan. • The company has a weak presence on social media platforms. • There is no dedicated budget allocated for promotion.

Opportunities	Threats
• Opportunity to develop a comprehensive and clear marketing plan. • Improve digital presence and activate social media accounts • Develop customer loyalty programs • Set up a feedback analysis system to enhance marketing campaigns • Build marketing partnerships with media or influencers	• Strong competition from more digitally active and marketing-savvy companies • Rapid market changes may affect brand visibility • Weak customer engagement may lead to loss of loyalty and trust • Delay in digital marketing efforts could result in market share loss

The analysis shows that the company has two main strengths: regularly conducting market research to understand trends, and actively monitoring and analyzing competitors' strategies. These elements provide the company with the ability to adapt to market changes and face competition in a well-informed manner.

However, the company faces several weaknesses that affect its marketing capabilities, most notably the ineffective use of customer data analysis to understand their behavior and needs, as well as the absence of a clear and written marketing plan. Additionally, the company has a weak digital presence on social media platforms and lacks a dedicated budget for promotions, limiting its ability to reach a wider audience.

Regarding opportunities, there are significant potentials to develop a comprehensive marketing plan, enhance digital presence by activating social media accounts, develop customer loyalty programs, set up a feedback analysis system to improve marketing campaigns, and build marketing partnerships with media outlets and influencers to increase brand awareness.

The threats include strong competition from companies with more advanced digital and marketing capabilities, rapid market changes that may affect brand visibility, weak customer

engagement that could lead to loss of loyalty and trust, and delays in adopting digital marketing efforts that may result in loss of market share.

3.1.1.4 Security and Safety

Table(4)SWOT Analysis of Information and Physical Security at Al-Naseem Exchange

SWOT Analysis for Al-Naseem Exchange	
Strengths	**Weaknesses**
• Adherence to security standards in handling financial data. • Existence of a security system to monitor security at branches and offices. • Employee training on cybersecurity. • Conducting periodic reviews to assess the effectiveness of security measures.	• Lack of documentation and analysis of security incidents. • Infrequent updating of security protocols. • No reliance on a specialized security firm.
Opportunities	**Threats**
• Development and regular updating of security protocols. • Strengthening cooperation with specialized security firms. • Documentation and analysis of security incidents.	• Increasing security threats. • Weak response to security incidents.

The analysis shows that Al-Naseem Exchange possesses several key strengths in the field of security and safety, including adherence to security standards when handling financial data and

the existence of a security monitoring system at branches and offices. Employees receive cybersecurity training, and periodic reviews are conducted to assess the effectiveness of security measures, which enhances the protection of the company's assets and customer information.

However, the company faces some weaknesses, such as the lack of regular documentation and analysis of security incidents, infrequent updates to security protocols, and the absence of reliance on a specialized security firm. These weaknesses may limit the company's ability to respond efficiently to security incidents and expose it to potential risks.

Opportunities include the development and regular updating of security protocols, strengthening cooperation with specialized security firms, and documenting and analyzing security incidents to enhance preventive capabilities and rapid response.

On the other hand, there are increasing threats represented by rising security risks and weak responses to security incidents, which could negatively affect the company's reputation and customer trust.

3.1.1.5 Financial Performance side

Table(5)SWOT Analysis of Financial Performance and Planning at Al-Naseem Exchange

SWOT Analysis	
Strengths	**Weaknesses**
• **Periodic Financial Reports:** Periodic financial reports to analyze performance. • **Cost and Return Analysis:** Detailed analysis of costs and returns. • **Flexible Budget Management:** Flexible budget that adapts to market needs. • **Accurate Internal Review:** Internal review processes to ensure data accuracy.	• **Weak Collaboration with Financial Advisors:** Some companies do not collaborate with financial advisors. • **Lack of Focus on Market Share Growth:** Limited focus on increasing market share.
Opportunities	**Threats**

• **Market Expansion:** Opportunity for expansion and increasing market share. • **Enhancing Collaboration with Financial Advisors:** Strengthen collaboration with financial advisors to improve financial performance. • **Improving Risk Management Strategies:** Enhance risk management strategies.	• **Intense Market Competition:** Competition may impact market share. • **Economic Fluctuations:** Economic changes could affect profits. • **Challenges in Financial Performance Improvement:** Companies not using financial advisors may struggle to improve their financial performance.

The analysis shows that the company has several strengths in financial performance, including the preparation of periodic financial reports to analyze performance, detailed analysis of costs and returns, and flexible budget management that adapts to market needs. The company also conducts accurate internal reviews to ensure the correctness of financial data, which enhances precise evaluation and sound financial decision-making.

However, the company faces some weaknesses that may hinder financial performance improvement, such as weak collaboration with financial advisors in some companies and insufficient focus on increasing market share. This lack of financial partnerships may limit opportunities to develop effective financial strategies and sustainable growth.

The available opportunities highlight good potential for market expansion and increasing market share, as well as strengthening collaboration with financial advisors to improve financial performance, and enhancing risk management strategies to mitigate the negative impacts of economic fluctuations.

The threats include intense market competition that may affect market share, and economic fluctuations that could impact profits. Additionally, companies that do not engage financial advisors may face challenges in improving their financial performance, exposing them to risks of missed growth opportunities.

3.1.1.6 Technology

Table(6)SWOT Analysis of Technology and Operations – Al-Naseem Exchange

SWOT Analysis	
Strengths	**Weaknesses**
• Use of electronic systems to manage daily financial operations. • The technical infrastructure meets operational needs. • Regular updates to technical systems to keep up with developments.	• Limited use of modern systems such as ERP and electronic payment gateways. • Insufficient focus on developing new technological tools to improve customer experience.
Opportunities	**Threats**
• Improve operations by adopting modern systems such as ERP and electronic payment gateways. • Develop new technological tools to enhance customer experience.	• Rapid technological advancements and the challenge of keeping up. • Competition from companies using modern technologies.

The analysis shows that Al-Naseem Exchange has several technological strengths, including the use of electronic systems to manage daily financial operations, a technical infrastructure that meets operational needs, and regular updates to technical systems to keep up with modern developments. These aspects enhance operational efficiency and ensure smooth business continuity.

However, the company faces some weaknesses such as limited use of modern systems like Enterprise Resource Planning (ERP) and electronic payment gateways, as well as insufficient

focus on developing new technological tools to improve the customer experience. These weaknesses may affect the company's competitiveness and ability to fully satisfy customers.

There are significant opportunities to improve operational performance by adopting modern systems like ERP and electronic payment gateways, and by developing innovative technological tools that enhance the customer experience, making services easier and faster.

On the other hand, the threats include rapid technological advancements that pose a challenge for the company to keep up with these developments, along with strong competition from companies that utilize advanced modern technologies. This could impact the company's market share if it does not accelerate the adoption of such technologies.

3.2 Service Quality Evaluation and Customer Satisfaction in the Currency Exchange Sector

In this section, we present the survey conducted as part of the study to analyze customer experience in currency exchange companies. The survey aims to measure the quality of services provided, the level of customer satisfaction, the challenges they face, and opportunities for service development and improvement. Data was collected through this survey covering key aspects such as service quality, security issues, availability of electronic services, and customers' future expectations.

This survey is a crucial tool for understanding the gaps between customer expectations and actual services, and it helps in formulating practical recommendations to develop the currency exchange sector to better meet customer needs.

3.2.1.1 Distribution of Age (in years)

Table(7)Distribution of Respondents by Age Group – Al-Naseem Exchange Survey

Variables	Values	Frequency	Percentage
Age	18 – 25	175	70%
	26 – 35	42	16.8%
	36 – 50	25	10%
	More than 50	8	3.2%
Total		250	100%

The age distribution of the respondents shows that the majority (70%) fall within the 18–25 age group, indicating a strong representation of young adults in the study sample. This may reflect the greater engagement or availability of this age category with currency exchange services or their higher responsiveness to online surveys. Participants aged between 26–35 make up 16.8% of the sample, while those between 36–50 account for 10%. This distribution suggests that the study's findings are largely influenced by the perceptions and experiences of younger individuals, which could have implications for how exchange companies tailor their services to this demographic.

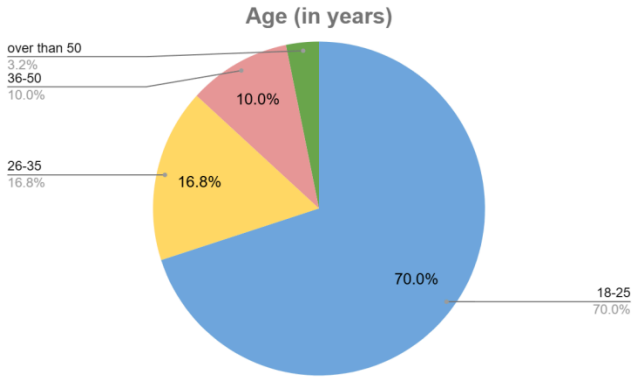


Figure 2: Age Distribution of Customers in the Currency Exchange Sector

3.2.1.2 Distribution of Gender

Table(8)Gender Distribution of Respondents – Al-Naseem Exchange Survey

Variables	Values	Frequency	Percentage
Gender	Male	96	38.4%
	Female	154	61.6%
Total		250	100%

The table shows the distribution of the study sample by gender. Female participants made up 61.6% of the total sample, indicating a higher level of female participation in the survey compared to males, who represented 38.4%. This disparity may be attributed to greater interest from females in participating in studies or to the nature of the targeted population. These percentages highlight the importance of considering the perspectives of both genders when analyzing the results related to the use of currency exchange services.

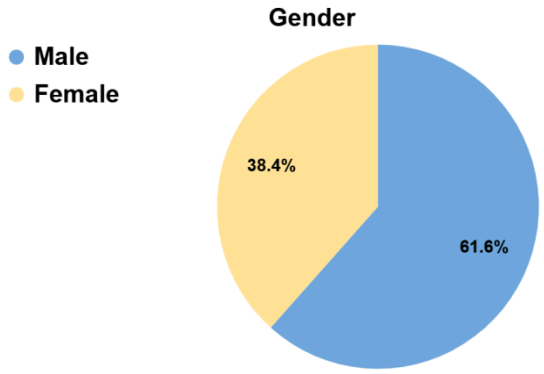


Figure 3: Gender Distribution of Customers in the Currency Exchange Sector

3.2.1.3 Distribution of Educational Level

Table(9)Education Level Distribution of Respondents – Al-Naseem Exchange Survey

Variables	Values	Frequency	Percentage
Education Level	Secondary education or below	20	8%
	Diploma	12	4.8%
	Bachelor's degree	200	80%
	Postgraduate studies (Master/PhD)	18	7.2%
Total		250	100%

The table shows the distribution of the sample according to their level of education. It indicates that the vast majority of respondents hold a bachelor's degree, representing 80% of the total sample. This suggests that the target group in the study has a high level of education. Meanwhile, 7.2% of the participants have postgraduate degrees (Master's or PhD), followed by 8% with secondary education or below, and 4.8% with a diploma. These results reflect the participants' awareness and interest in financial services, which enhances the credibility of the responses related to currency exchange company services.

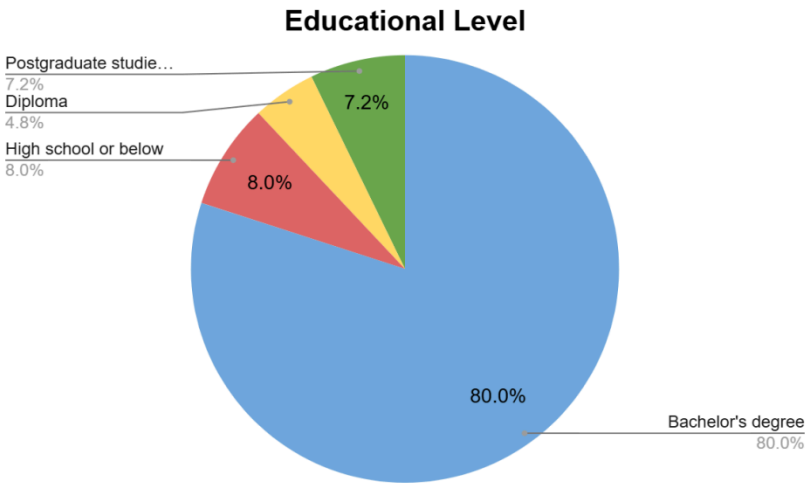


Figure4 : Distribution of Education Level

3.2.1.4 Distribution of Respondents Based on Having an Account for Currency Exchange Purpose

Table(10)Exchange Account Ownership Among Respondents – Al-Naseem Exchange Survey

Variables	Values	Frequency	Percentage
Has Exchange Account	Yes	170	68%
	No, I do not have a bank account	80	32%
Total		250	100%

The data in the table indicates that a significant majority of the respondents, accounting for 68%, have an account used for currency exchange purposes. In contrast, 32% of the participants reported that they do not have a bank account. This distribution suggests that most of the target

audience is engaged in financial activities that require the use of exchange services, which supports the relevance and importance of studying their experiences and satisfaction levels with these services.

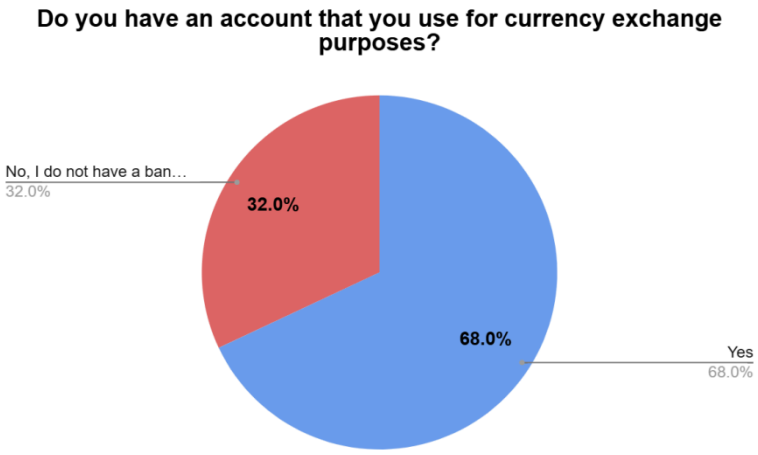


Figure5:Distribution of Respondents Based on Having an Account for Currency Exchange Purpose

3.2.1.5 Distribution of Frequency of Using Exchange Services

Table(11)Frequency of Using Exchange Services – Al-Naseem Exchange Survey

Variables	Values	Frequency	Percentage
Use Exchange Services	Yes, weekly	28	11.2%
	Yes, once or twice a month	54	21.6%
	Yes, but irregularly	90	36%

	No, rarely	78	31.2%
Total		250	100%

The table shows the distribution of the frequency of using exchange services among the studied sample (250 people). It appears that more than one-third of respondents (36%) use exchange services irregularly, while 21.6% use them once or twice a month, and 11.2% use them weekly. Meanwhile, 31.2% of respondents rarely use exchange services. These results reflect the diversity in the degree of reliance on exchange services among individuals in the sample.

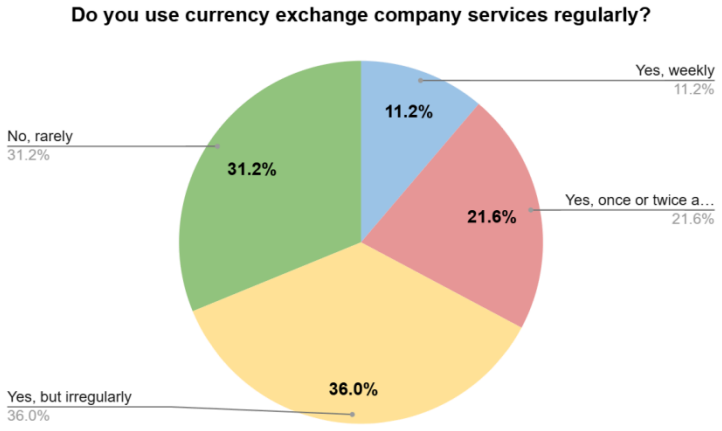


Figure6:Distribution of Frequency of Using Exchange Services

3.2.1.6 Distribution of the Purpose of Visiting Exchange Companies

Table(12)Purpose of Visit to Al-Naseem Exchange – Respondents' Distribution

Variables	Values	Frequency	Percentage
Purpose of Visit	Currency exchange	178	75.6%
	Local money transfer	75	30%
	International transfer	50	20%
	Bill payment	40	16%
Total		250	100%

The table shows the purposes of visits to exchange service companies among the sample. Currency exchange is the primary reason for 75.6% of respondents. This is followed by local money transfers at 30%, and international transfers at 20%. Additionally, 16% of people use exchange companies' services for bill payments. These data reflect the variety of services offered by exchange companies and their use for multiple purposes.

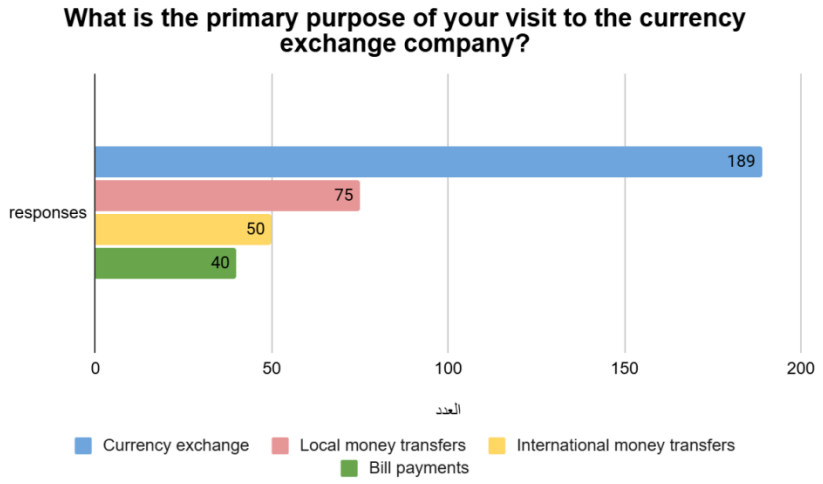


Figure6: Distribution of the Purpose of Visiting Exchange Companies

3.2.1.7 Distribution of Waiting Times

Table(13)Distribution of Respondents According to Waiting Time at Al-Naseem Exchange

Variables	Values	Frequency	Percentage
Waiting Time	5 – 10 minutes	175	70%
	11 – 20 minutes	50	20%
	More than 20 minutes	25	10%
Total		250	100%

The table shows the waiting times customers spend at exchange companies before receiving service. Seventy percent of respondents reported waiting between 5 to 10 minutes, while 20% wait between 11 to 20 minutes, and 10% wait more than 20 minutes. These results reflect the level of service speed at exchange companies among the studied sample.

3.2.2 Quality of Services

3.2.2.1 Tangibility Dimension

This dimension addresses the gap between customers' expectations and their actual experience regarding the tangible aspects of the services provided by the exchange company. It includes the availability of modern technologies, the suitability of equipment, ease of access, clarity of information provided, and transaction speed. A five-point Likert scale was used to measure the level of agreement, with higher values indicating a larger gap between expectations and actual service.

The following table presents the means and standard deviations of participants' responses to the items under this dimension

Table(14) Gap Between Actual and Expected Service – Tangibles Dimension

Variable	N	N*	Mean	StDev	Minimum	Median	Maximum
"There is a difference between the actual and expected level of service in terms of the availability of modern ATMs and advanced transfer systems."	250	0	2.968	1.13673	1	3	5
"There is a difference between the actual and expected level of service in terms of the company's location and ease of access."	250	0	2.904	1.21519	1	3	5
"There is a difference between the actual and expected level of service in terms of the compatibility of devices and equipment with the type of financial service."	250	0	2.848	1.13049	1	3	5
"There is a difference between the actual and expected level of service in terms of the clarity and ease of understanding of information provided in branches."	250	0	2.9	1.15209	1	3	5
"There is a difference between the actual and expected level of service in terms of transaction speed when using modern technologies."	250	0	3.116	1.19845	1	3	5

The results above show that the mean values range between (2.848 – 3.116), indicating a moderate gap between customer expectations and the actual level of service in terms of tangibility. The largest gap was observed in the item “transaction speed when using modern technologies” with a mean of (3.116), reflecting relative dissatisfaction with how effectively technology is being used to expedite processes. The smallest gap was noted in “the compatibility of devices and equipment with the type of financial service” with a mean of (2.848), suggesting relatively higher satisfaction in this aspect.

These findings highlight the importance of improving technological infrastructure and upgrading systems and devices in order to reduce the gap between expectations and actual service, thereby enhancing customer satisfaction and trust.

3.2.2.2 Reliability

This dimension measures the company's commitment to fulfilling promised services accurately and on time. It includes delivering error-free service from the first time, maintaining

transparency, accuracy in customer records, and handling problems professionally. The results below illustrate the gap between customers' expectations and their actual experience regarding this dimension:

Table(15)Summary of Reliability Dimension Service Gaps – Al-Naseem Exchange

Variable	N	*N	Mean	StDev	Minimum	Median	Maximum
"There is a difference between the actual and expected level of service in terms of the company's commitment to delivering the services it promises."	250	0	2.736	1.13112	1	3	5
"There is a difference between the actual and expected level of service in terms of providing the service correctly from the first time without errors."	250	0	2.784	1.07982	1	3	5
"There is a difference between the actual and expected level of service in terms of executing financial transactions on time without delays."	250	0	2.836	1.15865	1	3	5
"There is a difference between the actual and expected level of service in terms of the company's ability to handle problems quickly and professionally."	250	0	2.956	1.13455	1	3	5
"There is a difference between the actual and expected level of service in terms of transparency and honesty in explaining financial transfer fees and prices."	250	0	2.864	1.14663	1	3	5
"There is a difference between the actual and expected level of service in terms of providing reliable and continuous	250	0	2.888	1.08080	1	3	5

communication channels for receiving complaints or inquiries."							
"There is a difference between the actual and expected level of service in terms of accuracy in maintaining customer records and files."	250	0	2.868	1.10611	1	3	5

The mean values indicate that the gap between expectations and actual performance ranges from (2.736 to 2.956), reflecting a moderate gap in reliability. The highest gap was in "the company's ability to handle problems quickly and professionally" with a mean of (2.956), highlighting the need to improve problem-solving mechanisms and staff training. The lowest gap was in "the company's commitment to delivering the services it promises" with a mean of (2.736), indicating a relatively acceptable level of commitment.

These results emphasize the importance of improving reliability by adhering to promises, ensuring accurate and transparent transactions, and offering effective communication channels to strengthen customer trust.

3.2.2.3 Responsiveness

This dimension measures the speed and interaction level of the exchange company in delivering services and responding to customer inquiries or complaints. It includes the quickness of service delivery, polite communication about delays, willingness to assist, self-service options, and keeping customers informed when services are unavailable. The following table presents the results related to this dimension:

Table(16)Summary of Responsiveness Dimension Survey Results – Al-Naseem Exchange

Variable	N	*N	Mean	StDev	Minimum	Median	Maximum
"There is a difference between the actual and expected level of service in terms of the speed	250	0	2.988	1.15984	1	3	5

of obtaining the service when visiting the exchange company's branch."							
"There is a difference between the actual and expected level of service in terms of employees politely explaining the reason for any delay when it occurs."	250	0	3.084	1.13936	1	3	5
"There is a difference between the actual and expected level of service in terms of employees' constant readiness to assist customers without hesitation."	250	0	2.912	1.16520	1	3	5
"There is a difference between the actual and expected level of service in terms of the speed and quality of response when a complaint is submitted."	250	0	3.04	1.12938	1	3	5
"There is a difference between the actual and expected level of service in terms of the availability of self-service options such as a mobile app or website to facilitate transactions without needing staff assistance."	250	0	3.144	1.17678	1	3	5
"There is a difference between the actual and expected level of service in terms of clearly informing customers of the expected time for an unavailable service to become available or offering alternatives."	250	0	3.056	1.12513	1	3	5

The mean scores range between (2.912 – 3.144), indicating a noticeable gap in the level of responsiveness—greater than in some other dimensions. The highest gap appears in the statement "availability of self-service options" with a mean of (3.144), suggesting a strong need to develop digital platforms. Similarly, the "employees politely explaining delays" statement shows a significant gap (3.084), indicating a need for improved staff communication skills.

On the other hand, the smallest gap is in "employees' readiness to assist customers without hesitation" with a mean of (2.912), reflecting relatively better performance in this area.

These findings underscore the importance of enhancing responsiveness by accelerating digital transformation, training staff on customer service etiquette, and ensuring clear communication with customers when service disruptions occur.

3.2.2.4 Assurance

This dimension relates to customers' trust in the level of safety, knowledge, and honesty provided by exchange companies. It includes honest and transparent employee behavior, trust in inquiries.pricing integrity, a sense of security during transactions, and employees' knowledge to handle

The table below presents the findings related to the assurance dimension:

Table(17)Summary of Assurance Dimension Survey Results – Al-Naseem Exchange

Variable	N	*N	Mean	StDev	Minimum	Median	Maximum
"There is a difference between the actual and expected level of service in terms of employees dealing with honesty and transparency."	250	0	2.868	1.19343	1	3	5
"There is a difference between the actual and expected level of service in terms of my trust that the company offers the best prices without manipulation."	250	0	2.98	1.14580	1	3	5
"There is a difference between the actual and expected level of service in terms of my sense of security while conducting financial transactions within the company."	250	0	2.824	1.21612	1	3	5
"There is a difference between the actual and expected level of service in terms of employees having sufficient knowledge to answer inquiries."	250	0	2.956	1.18646	1	3	5

- The mean scores range between (2.824 – 2.980), indicating a noticeable gap between customer expectations and actual service performance in terms of trust. The highest gap is in "trust that the company offers the best prices without manipulation" (mean = 2.980), which points to customer skepticism about pricing transparency and highlights the need for more transparent pricing strategies.

- The lowest gap is in "sense of security during financial transactions" (mean = 2.824), reflecting a relatively acceptable level of security but still requiring improvements to ensure a safer customer experience.

- Additionally, the gap in "employees' knowledge to answer inquiries" (mean = 2.956) underscores the need for better staff training on financial systems and common customer concerns.

Overall, the findings highlight the importance of building stronger customer trust through pricing clarity, enhanced employee competency, and improved security procedures.

3.2.2.5 Empathy

This dimension reflects how much exchange companies care about customers on a personal and human level — including listening to their concerns, showing respect, simplifying procedures, prioritizing customer interests, and offering customer-friendly working hours.

The following table presents the results of this dimension:

Table(18)Customer Service Expectation vs. Reality Survey Results – Al-Naseem Exchange

Variable	N	*N	Mean	StDev	Minimum	Median	Maximum
"There is a difference between the actual and expected level of service in terms of employees listening to my problems and inquiries."	250	0	2.92	1.17265	1	3	5
"There is a difference between the actual and expected level of service in terms of being treated with respect and appreciation during every visit."	250	0	2.888	1.21050	1	3	5
"There is a difference between the actual and expected level of service in terms of employees showing genuine concern for customer comfort and satisfaction."	250	0	2.988	1.18383	1	3	5
"There is a difference between the actual and expected level of service in terms of explaining procedures in a simple and understandable way."	250	0	2.916	1.18768	1	3	5
"There is a difference between the actual and expected level of service in terms of the company prioritizing customer interests."	250	0	2.964	1.19011	1	3	5
"There is a difference between the actual and expected level of service in terms of providing convenient and customer-friendly working hours."	250	0	2.996	1.18728	1	3	5

- The means range from (2.888 – 2.996), indicating a moderate gap between customer expectations and actual experience regarding empathy.

- The highest gap appears in “providing convenient and customer-friendly working hours” (mean = 2.996), suggesting a need to improve work schedule flexibility based on customer needs.

- The lowest gap is in “being treated with respect and appreciation during every visit” (mean = 2.888), reflecting a relatively acceptable level of respect, yet still below expectations.

- Other items, like “listening to problems” and “explaining procedures clearly,” show that better communication and a stronger customer service culture are needed.

Overall, the results stress the importance of strengthening the human element in service delivery at exchange companies by actively listening, supporting, and caring for customer well-being.

3.3 Customer Satisfaction

This dimension focuses on the level of customer satisfaction with various aspects of exchange services — including cost, waiting time, physical environment, location, availability, and perceived safety.

The table below summarizes the mean scores and standard deviations for each item:

Table(19)Customer Satisfaction Survey Results – Al-Naseem Exchange

Variable	N	*N	Mean	StDev	Minimum	Median	Maximum
"I am satisfied with the cost of the company's services."	250	0	3.076	1.14695	1	3	5
"I am satisfied with the waiting time at the company."	250	0	2.948	1.13067	1	3	5
"I am satisfied with the services provided by the company."	250	0	3.436	1.01292	1	4	5
"I am satisfied with the explanation provided by the company's employees about their various services."	250	0	3.352	1.10316	1	4	5
"I am satisfied with the company's location."	250	0	3.376	1.11697	1	4	5
"The branch space is comfortable and suitable for visitors."	250	0	3.16	1.15400	1	4	5
"There is enough space for customers to wait inside the company."	250	0	3.048	1.17781	1	3	5
"The facilities inside the branch (such as seating and restrooms) are available and in good condition."	250	0	2.96	1.18152	1	3	5
"All the services I need are always available."	250	0	3.02	1.13523	1	3	5
"The exchange company/companies I deal with provide a safe and well-monitored environment."	250	0	3.328	1.10331	1	4	5

- The means range between 2.948 and 3.436, reflecting a moderate to slightly positive level of customer satisfaction.

- The highest satisfaction was in the statement “I am satisfied with the services provided by the company” (mean = 3.436), indicating a generally favorable impression of service quality.

- Close behind were “explanation of services” and “location of the company”, emphasizing the importance of effective communication and accessible location.

- The lowest satisfaction scores were related to waiting time (2.948) and facility condition (2.960), highlighting areas for improvement in physical infrastructure and operational efficiency.

Overall, this dimension shows that while exchange companies maintain an acceptable level of customer satisfaction, there is a clear opportunity to enhance the customer experience in specific aspects of service delivery.

3.4 Problems and Concerns Faced by Customers in Exchange Companies

This dimension highlights the key issues and concerns that customers face while dealing with exchange companies, including delays, unprofessional behavior, lack of service availability, data security concerns, fraud risks, and pricing inconsistencies.

The table below shows the means and standard deviations:

Table(20)Customer Issues and Concerns Survey Results – Al-Naseem Exchange

Variable	N	N*	Mean	StDev	Minimum	Median	Maximum
"I often experience delays in transaction processing."	250	0	2.716	1.06578	1	2	5
"Some employees behave unprofessionally."	250	0	2.76	1.05967	1	3	5
"Some of the services I need are not available when I visit the exchange company."	250	0	2.988	1.01587	1	3	5
"On one occasion, I felt that my personal or financial data was not adequately protected."	250	0	2.516	1.04600	1	2	5
"I have concerns about fraud or data theft when dealing with some exchange companies."	250	0	2.776	1.08560	1	3	5
"The level of security at some exchange companies does not meet my expectations."	250	0	2.788	1.03699	1	3	5
"I have noticed differences in exchange rates between branches or compared to what was advertised."	250	0	3.084	1.08520	1	3	5

- The mean scores range from 2.516 to 3.084, indicating moderate levels of concern among customers.
- The highest concern was about exchange rate discrepancies (mean = 3.084), showing that lack of pricing transparency is a common issue.

- Customers also showed moderate concern regarding security, professionalism, and availability of services, highlighting the need for improved employee conduct, technical

security, and operational consistency.

- The lowest mean was for data protection concerns (2.516), which may suggest that while not common, some customers have experienced lapses in data protection — an issue that should not be overlooked.

In conclusion, the findings point to several operational weaknesses that exchange companies must address to improve customer trust, service reliability, and overall satisfaction.

3.5 Service Development in Exchange Companies

This section explores customers' expectations regarding the improvement of services in exchange companies, including currency variety, digital apps, customer experience, and cybersecurity.

Table(21)Customer Preferences Survey Results – Al-Naseem Exchange

Variable	N	*N	Mean	StDev	Minimum	Median	Maximum
I prefer that the exchange company provides a larger number of global currencies.	250	0	3.356	1.09272	1	4	5
The variety of available currencies helps me choose the company I deal with.	250	0	3.416	1.03500	1	4	5
I prefer having an electronic application that allows me to perform transactions easily.	250	0	3.556	1.12959	1	4	5
I prefer that the application includes a feature to track the transfer status directly.	250	0	3.628	1.06119	1	4	5
I prefer having a feature to compare exchange rates in exchange applications.	250	0	3.576	1.13551	1	4	5
I need an application that supports electronic payments and various bills.	250	0	3.668	1.09662	1	4	5
I prefer the app to have a live support feature (chat with an employee).	250	0	3.572	1.11074	1	4	5
I prefer having an option to book appointments in advance to reduce waiting time.	250	0	3.484	1.09478	1	4	5

The speed of transaction execution affects my decision to continue dealing with the company.	250	0	3.524	1.16225	1	4	5
It is better to have a specialized employee to serve VIP clients quickly.	250	0	3.444	1.11528	1	4	5
I prefer dealing with well-trained employees who have strong communication skills.	250	0	3.564	1.09302	1	4	5
I see the necessity of periodic customer service evaluations through surveys.	250	0	3.552	1.04483	1	4	5
It is better to have customer service available via phone or social media.	250	0	3.64	1.03280	1	4	5
I believe companies need to strengthen cybersecurity systems in their applications.	250	0	3.476	1.06864	1	4	5
I feel confident dealing with a company that offers two-factor authentication (such as a code sent to the mobile phone).	250	0	3.504	1.04995	1	4	5
I prefer to be notified immediately of any suspicious activity on my account.	250	0	3.636	1.15100	1	4	5
Having a specialized cybersecurity department in the exchange company increases my trust in it.	250	0	3.596	1.07209	1	4	5

Analysis:

- The results show that all the statements received high average scores ranging between 3.356 and 3.668, indicating clear support from customers for the importance of developing digital and security services in exchange companies.

- The statement with the highest average was:
  "I need an application that supports electronic payment and various invoices" (3.668), reflecting a strong desire among customers for integrated digital solutions.

- Customers also showed great interest in digital security, as the statements related to instant alerts (3.636), customer service via phone or social media (3.640), and two-factor authentication (3.504) were among the highest.

These results confirm that customers have become more aware of cybersecurity, service speed, and quality technical support, and they seek modern services that keep up with digital development.

Recommendations:

- Develop smart applications to include services such as tracking transfers, price comparison, electronic payment, and instant support.
- Enhance cybersecurity by providing two-factor authentication, instant alerts, and specialized cybersecurity departments.
- Improve customer experience by offering appointment scheduling, faster transaction execution, and training employees on communication skills.

3.6 Conclusion

1. There is a moderate gap between customer expectations and actual performance across all five service quality dimensions (tangibility, reliability, responsiveness, assurance, and empathy), indicating a continuous need for service improvement.
2. The highest gap was observed in the “responsiveness” dimension, particularly regarding the availability of self-service options such as mobile applications. This highlights the need for accelerated digital transformation and better staff readiness to interact with customers.
3. The most stable dimension was “reliability”, where customers showed a relatively acceptable level of satisfaction regarding the company’s fulfillment of promises. However, improvements are still needed in problem resolution and fee transparency.
4. Overall customer satisfaction was moderately positive, with the highest satisfaction related to service quality and branch location, while the weakest areas were waiting time and the condition of physical facilities.
5. Key customer concerns included exchange rate discrepancies between branches, transaction delays, and unprofessional staff behavior, indicating the need for internal corrective measures.

6. Customers expressed strong interest in smart application development, requesting features such as electronic payment, transfer tracking, live chat support, and data security measures. This reflects growing awareness of digital services and cybersecurity.

7. The findings confirm that improving digital infrastructure and enhancing human service quality—such as communication skills and responsiveness—are essential to increasing customer satisfaction and trust in exchange companies.

3.7 Recommendations

1. Digital Transformation and Smart Application Development:

- Develop a comprehensive mobile app that offers services such as:
    - Money transfer and transfer tracking.
    - Electronic payments and bill settlement.
    - Real-time currency rate comparison.
    - Live support chat with an employee.
    - Appointment booking to reduce waiting time.

2. Enhancing Cybersecurity and Data Protection:

- Activate two-factor authentication (e.g., code sent to the phone).
- Send immediate alerts for suspicious account activity.
- Establish a dedicated cybersecurity department.
- Ensure regular software updates and daily automatic backups.

3. Improving Staff Skills in Customer Interaction:

- Train employees on:
    - Effective communication skills.
    - Politely handling customer complaints and explaining delays.
    - Clearly simplifying procedures for customers.
- Adopt a service charter to ensure mutual respect and professionalism at every visit.

4. Enhancing the Branch Environment and Visitor Experience:

- Improve branch infrastructure, including:
    - Comfortable seating and a suitable waiting area.
    - Well-maintained restrooms and facilities.
    - Electronic screen displays for currency exchange rates.

5. Ensuring Transparency in Pricing and Fees:

- Clearly display transfer fees and currency rates inside the branch and on the app.
- Review pricing practices to ensure consistency across different branches.

6. Regular Customer Feedback and Service Evaluation:

- Send regular surveys to measure customer satisfaction after service.
- Analyze results systematically to make data-driven improvements.
- Establish a clear complaint handling mechanism with defined response times.

7. Currency Diversification and Service Expansion:

- Offer a wider variety of foreign currencies to meet diverse customer needs.

- Study market demands and adapt policies accordingly.

Chapter 4

Strategic Development

Strategic Development Proposal for Al-Naseem Exchange Company

This chapter presents a targeted development strategy for Al-Naseem Exchange Company based on the findings from Chapter One of the graduation project, which identified key gaps in organizational and technical capabilities compared to other leading exchange companies in the northern West Bank. This proposal outlines the missing components, explains their importance, and provides professionally written content tailored to fill these gaps. The purpose is to enhance Al-Naseem's operational performance, strategic clarity, and future sustainability.

4.1 The Absence of a Vision Statement

What is the vision :"A vision statement is an aspirational description of what an organization would like to achieve or accomplish in the mid-term or long-term future. It serves as a clear guide for choosing current and future courses of action."
— David, F. R., & David, F. R. (2017). Strategic Management: Concepts and Cases, Pearson.
Al-Naseem lacks a documented vision, which is critical for strategic alignment and guiding long-term decisions.

Importance of a Vision Statement:
A vision defines the aspirational long-term goals of an organization. It unites employees under a common goal, inspires innovation, and positions the company for future growth. Without a clear vision, the company may lack direction and cohesion in its planning efforts.

Proposed Vision for Al-Naseem:
"To be the leading provider of secure, innovative, and digital-first exchange and financial services in Palestine, empowering communities through trusted financial solutions."

4. 2 The Absence of a Mission Statement

What is the mission :"A mission statement is a declaration of an organization's reason for being. It answers the fundamental question: 'What is our business?' and broadly outlines the organization's purpose, customers, products or services, markets, philosophy, and basic technology."
Kotler, P., & Keller, K. L. (2016). Marketing Management (15th ed.), Pearson.

Al-Naseem does not have a written mission statement, which limits its ability to communicate its purpose clearly to customers and staff.

Importance of a Mission Statement:

A mission describes the core purpose and daily functions of the company—what it does, for whom, and how. It helps in strategic planning, decision-making, and aligning team efforts with client expectations.

Proposed Mission for Al-Naseem:

"We deliver accessible and reliable currency exchange and remittance services through a qualified team and advanced technologies, while promoting transparency, customer satisfaction, and economic development."

4.3 Lack of a Formal Organizational Structure

The company operates without a clearly defined organizational chart or formal departmental roles, unlike leading competitors.

Importance of Organizational Structure:

A clear structure defines roles and responsibilities, supports accountability, and streamlines communication. It enhances coordination between departments and boosts operational efficiency.

Recommended Structure (Functional Hierarchy Model):

- General Management: CEO, Executive Assistant
- Finance: Accounting, Financial Reporting, Auditing
- Operations: Branch Coordination, Transaction Execution, Customer Service
- Human Resources: Recruitment, Training, Performance Evaluation
- Technology: IT Support, Infrastructure, Cybersecurity, Digital Systems
- Marketing: Digital Campaigns, Social Media, Public Relations
- Compliance & Risk: Legal Oversight, AML, Internal Audits

Types of organizational structures used in companies:

Organizational structures are an essential part of any company's management structure, determining how tasks, authority, and information flow between individuals and departments are distributed. These structures vary depending on the nature of the company, its size, and its strategic objectives.

One of the most common types of structures is the functional structure, which divides the company into departments based on specializations, such as marketing, production, finance, and human resources. This model is characterized by high clarity in defining responsibilities and employee specializations, but it can face difficulties in coordinating between different departments, sometimes leading to slow overall decision-making.

Another type of structure is the divisional structure, which is often used in companies operating on a large or global scale. In this type, the company is organized according to regions or geographic locations, such as a "Middle East branch" or a "European branch." This model offers

high adaptability to the requirements of each local region, but it can suffer from duplication of resources and functions, as well as challenges in unifying policies across branches.

The matrix structure combines a functional structure with a project or product structure, where an employee has a functional manager (such as a production manager) and a project manager (such as a product development manager). This type of structure provides high flexibility and enhances collaboration between different teams, but it can lead to conflicts of authority and administrative complexity due to multiple supervisory bodies.

Some companies adopt a product-based structure, especially those offering a variety of goods or services. In this structure, the company is organized by product (e.g., a mobile phone division, a home appliance division), allowing for greater focus on developing and profiting from each product. However, this can lead to duplication of functions and higher operating costs.

Another type used is the customer-based structure, where the company is organized based on the customer segments it serves, such as individuals, businesses, or government agencies. This approach gives the company greater ability to meet customer needs in a customized manner, but it can lead to poor coordination between different units within the company.

With digital expansion and reliance on partnerships, the network structure has emerged, relying on collaboration with external parties to perform certain functions (such as manufacturing or technical support). In this model, the company focuses on coordinating operations and general management, while outsourcing some tasks to external partners. This type helps reduce costs and increase flexibility, but suffers from limited control over the quality of external work and a heavy reliance on suppliers.

Finally, there is the linear structure, which is the simplest form, with orders issued directly from top management to lower levels without complexity or branching divisions. This model is often used in small companies and is characterized by ease of management and rapid decision-making, but it relies heavily on the manager's skills and ability to control all operational aspects.

All of these structures represent strategic choices that reflect the company's management philosophy.

In our project, we used a functional structure to ensure high organization and efficiency, These include:

1. Clarity in defining responsibilities

The functional structure divides work into clear departments (such as production, marketing, finance), with each department having specific tasks and a specialized supervisor. This clarity reduces role overlap and makes it easier for employees to understand their duties and responsibilities.

2. Achieving specialization and efficiency

Since each department focuses on a specific function, this helps develop expertise and competence within each unit. For example, marketing department employees specialize in market strategies only, which increases performance quality and productivity.

3. Ease of supervision and management

In this structure, each department has a direct manager who supervises their employees and monitors their progress, facilitating oversight and decision-making within each department.

4. Effective training and development

Since departments are homogeneous in terms of tasks, it becomes easier to organize customized training programs for each job and develop employees' skills to suit the nature of their work.

5. Reduce duplication and redundancy

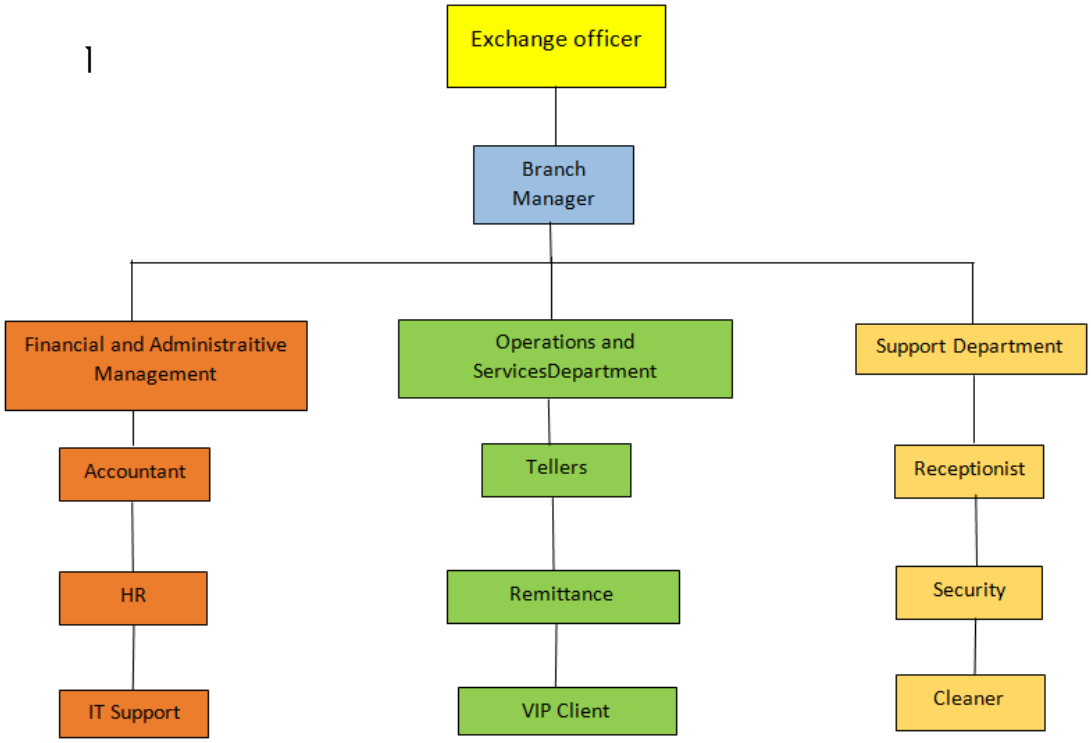
Having a clear structure prevents duplication of the same tasks between different departments and reduces the waste of time and resources.

6. Suitable for stable or small-to-medium-sized businesses

The functional structure is suitable for businesses offering a limited range of products or services and is ideal in stable operating environments that don't require frequent changes to structure or processes.

7. Ease of performance evaluation

By having specific functional objectives for each department, management can effectively evaluate performance and compare the results of each department against its own performance indicators.



4.4 Limited Service Diversity

What's Missing: Al-Naseem currently limits its operations to basic currency exchange services. In contrast, other modern exchange companies offer a broader portfolio including domestic and international money transfers, mobile wallets, prepaid cards, and value-added services such as bill payments or digital wallets.

Why It Matters: Service diversification is essential for financial institutions to remain competitive. By offering only a single core service, Al-Naseem is exposed to risk from market

fluctuations and fails to tap into a wider customer base. Expanded services also build customer loyalty and increase engagement.

Expanded Recommendations:

- Introduce Remittance Services: Collaborate with trusted money transfer platforms like Western Union or MoneyGram to offer domestic and international remittances.
- Prepaid Card Programs: Provide multi-currency prepaid cards suitable for travelers, students, and cross-border workers.
- Digital Wallets: Develop or partner with a digital wallet service to facilitate instant transactions, bill payments, and peer-to-peer transfers.
- Bill Payment Solutions: Integrate utility bill payment systems into branch and mobile channels.
- Partnerships with FinTechs: Work with financial technology providers to offer cutting-edge services such as QR payments, contactless remittance, or digital identity verification.

4. 5 No Digital Customer Channels

What's Missing: Al-Naseem does not currently offer a mobile app, client web portal, or automated systems that allow customers to perform transactions digitally. There is no channel for clients to interact with the company outside the physical branches.

Why It Matters: Digital accessibility is now an expectation. The absence of mobile or web-based platforms severely limits scalability, operational efficiency, and customer satisfaction. Moreover, younger customers prefer remote, app-based interactions over visiting physical branches.

Expanded Recommendations:

- Develop a Mobile App: The app should enable users to view exchange rates, initiate transfers, save beneficiaries, and track transaction history.
- Customer Web Portal: Launch a secure and responsive web platform for customers to manage accounts, download receipts, and interact with support.
- Chatbots and Live Support: Integrate AI-powered chatbots for FAQs and real-time messaging for personalized support.
- Online Onboarding and KYC: Enable new customers to register remotely through e-KYC and document uploads.
- Push Notifications and Alerts: Send transaction confirmations, promotional offers, and fraud alerts in real time.

4.6 No Marketing Strategy or Online Presence

What's Missing: The company does not have a documented marketing strategy, nor does it actively promote its services through digital platforms. It lacks a website optimized for SEO and does not engage with potential customers on social media.

Why It Matters: Without strategic marketing, Al-Naseem will struggle to reach new markets, especially youth and digital natives. Marketing is not only for branding, but also for trust-building, lead generation, and service education.

Expanded Recommendations:

- Quarterly Marketing Plans: Create measurable plans with clear KPIs (e.g., leads generated, conversion rates, social engagement).
- Hire a Digital Marketing Specialist: Responsible for ad campaigns, analytics, content planning, and branding.
- Multi-Platform Presence: Establish and maintain pages on Facebook, Instagram, LinkedIn, and TikTok to reach segmented audiences.
- Influencer Collaborations: Partner with trusted voices in finance to promote services via social proof.
- Customer Engagement Campaigns: Launch referral programs, loyalty rewards, and seasonal giveaways.
- Educational Content: Produce infographics, videos, and blog posts explaining how financial services work, boosting both visibility and trust.

4.7. No Staff Training Programs

What's Missing: Al-Naseem currently operates without a structured training and development plan for its employees. As financial services evolve rapidly, a lack of training creates skill gaps and undermines the quality of customer service.

Why It Matters: Ongoing training fosters a knowledgeable workforce, ensures compliance with new regulations, and reduces operational errors. It also boosts employee morale and retention.

Expanded Recommendations:

- Annual Internal Training Workshops: Cover key topics such as customer service excellence, financial ethics, and technical tools.
- Certifications in AML/KYC Compliance: Partner with institutions offering accredited certifications in Anti-Money Laundering and Know Your Customer regulations.
- Cybersecurity Awareness Training: Regular sessions on phishing, password management, and data privacy.

- Performance-Based Learning Paths: Create custom development plans based on job roles and KPIs.
- Knowledge-Sharing Sessions: Encourage experienced staff to mentor new hires through presentations and guided practice.
- Onboarding and SOP Manuals: Provide structured induction programs and standard operating procedure documentation.

This development framework for Al-Naseem Exchange Company directly addresses the gaps identified in the initial diagnostic phase. By establishing a formal mission and vision, restructuring internal operations, digitizing services, and investing in marketing and staff development, Al-Naseem can shift from reactive operations to proactive, strategic growth. These steps lay the foundation for sustainable expansion, improved customer trust, and leadership in Palestine’s evolving financial services market.

4.8. Location Determination and Interior Design

As part of Al Naseem Exchange's strategic development plan, this section was dedicated to identifying an appropriate geographic location, as well as preparing a preliminary concept for the internal distribution of offices in line with business needs and operational efficiency requirements.

First: Geographic Location Determination

After an analytical study of the market and vital areas in the northern West Bank, the city of Ramallah was chosen as the best option for the new branch's location. It represents a developed economic center, with a high concentration of companies and banks, high purchasing power, and ease of future expansion. This means investing there yields faster and more stable results.

This was based on a set of criteria, most notably:

- The high population density and active commercial activity in the area, which provides a large and sustainable customer base.
- The location's proximity to banking institutions and banks enhances customer confidence and facilitates financial transactions.
- The branch's easy accessibility using public and private transportation contributes to attracting a wide range of customers.
- It provides a safe and stable environment for financial activity, with reasonable rental costs compared to other areas.

- The branch's area is 220 square meters, sufficient to distribute the departments in a functional and organized manner, while providing a comfortable and flexible environment for customers and employees alike.
- This enhances the company's ability to provide its services efficiently and paves the way for future expansion into digital and field services..

Second: Office Interior Design

The interior design was approved based on functional engineering standards that take into account the number of employees and the nature of the services provided. The interior layout is consistent with the data provided in the detailed tables of Chapter Five regarding capital costs. The following table shows the distribution of the main departments within the branch and the estimated areas allocated to each.

Table (22) : Internal Layout and Area Distribution of the company's

No.	Section	Quantity	Estimated Area (m^2)	Description
1	Employee Offices	6	48	Equipped with office supplies, computers, and storage.
2	Cashier Counters (with glass partitions)	3	30	Customer-facing counters with security partitions.
3	Reception Desk	1	10	Initial customer inquiry and guidance point.
4	Customer Waiting Area	1	45	10 seats with digital screen for queue and announcements.
5	Manager Office	1	15	Private room for meetings and administration.
6	Safe Room	1	20	Secure vault for money and sensitive documents.

7	Server and Cybersecurity Room	1	10	Hosts surveillance, network, and backup systems.
8	Utilities (restroom, kitchenette)	—	12	Dedicated for staff usage.
9	Corridors and Circulation Space	—	30	Allows smooth internal movement and connection between areas.
10	Total	—	220	—

An illustration of the interior design is attached, showing the precise spatial distribution of offices and service points within the branch, ensuring flow and privacy and enhancing the customer experience in terms of comfort and speed of service.

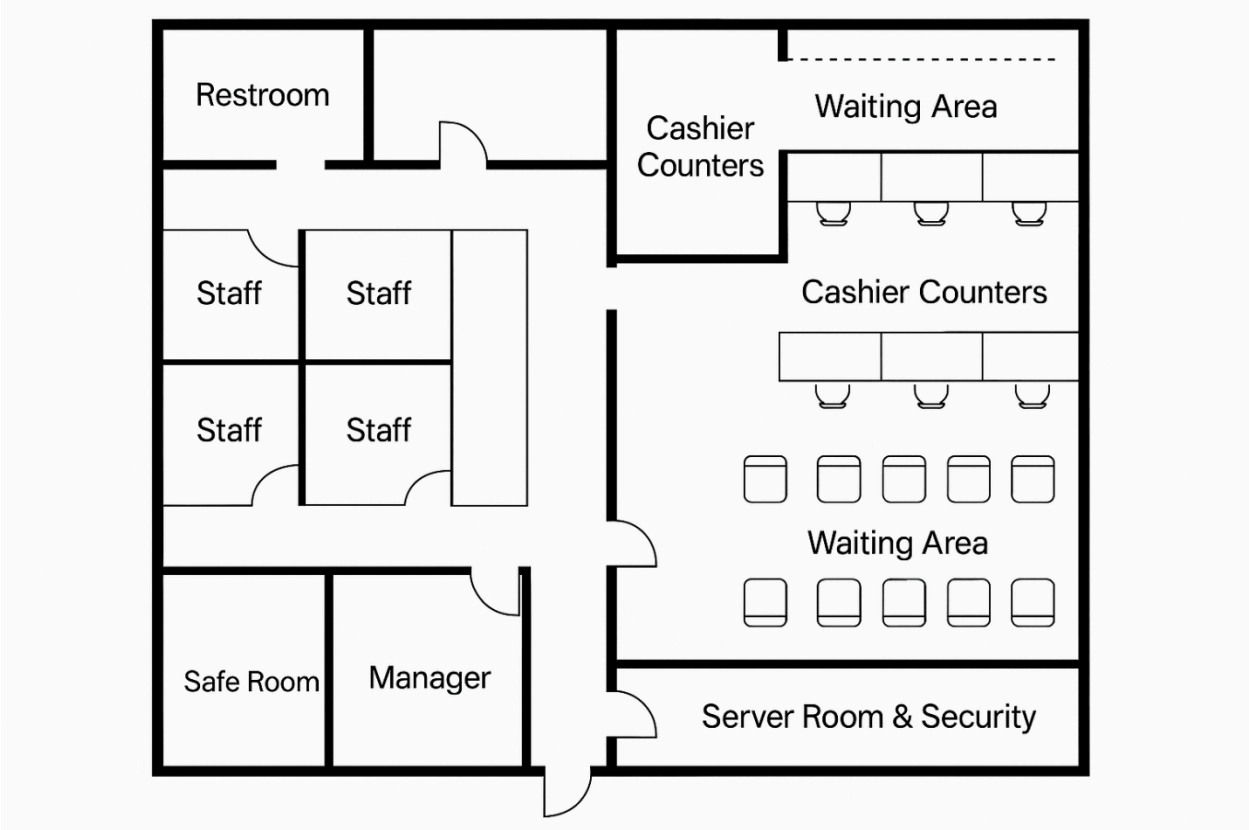


Figure7: Interior design plan of the company

Conclusion

After implementing the two integrated phases of the project, namely the analytical study in the first graduation project and the applied development in the second graduation project, it can be said that Al Naseem Exchange Company underwent a comprehensive analysis that revealed several fundamental challenges that were hindering its institutional and competitive development.

In the first part of the project, a number of weaknesses were identified, most notably the lack of a clear vision and mission, a weak administrative structure, a lack of understanding of customer needs, limited use of modern technologies, a weak digital presence, and the absence of corporate marketing plans. The project also revealed that the company does not benefit from performance evaluation and motivation systems and suffers from the absence of an effective training system.

In the second part of the project, these findings were utilized and transformed into inputs for developing a modern and integrated business model, aiming to transform Al-Naseem Company into a model company operating according to global corporate standards. A clear strategic plan, a robust administrative structure, and recommendations for adopting advanced technical systems (such as ERP) were presented, along with the development of a digital marketing strategy and enhancement of the customer experience. Additionally, a structured training and development program was proposed as the primary mechanism for developing human resources. This includes regular workshops, employee onboarding manuals, performance-based learning paths, and certification in areas such as customer service, cybersecurity awareness, and AML/KYC compliance, ensuring continuous professional growth and operational excellence.

The true value of this project lies in its ability to combine academic analysis with practical application, providing implementable solutions that contribute to enhancing Al Naseem's competitiveness and enabling it to expand and grow within a rapidly changing and challenging financial environment.

Furthermore, the second phase of the project was expanded to include a strategic assessment of the company's existing branch location in Ramallah, ensuring its suitability for operational development based on key criteria such as accessibility, proximity to financial institutions, and leasing feasibility. To support the operational development, a restructured interior layout was designed for the existing 220-square-meter facility. This layout optimizes space utilization by aligning the distribution of service desks, employee offices, customer areas, and secure zones with standards of workflow efficiency, safety, and service quality. The redesign was guided by the financial data and staffing requirements identified in the capital cost analysis, ensuring that

proposed improvements are both realistic and scalable within the current operational environment.

Chapter 5
Financial and Operational Analysis

5. Financial and Operational Analysis for Al-Naseem Exchange Company Project

This phase aims to estimate the financial costs required to establish and operate a branch of Al-Naseem Exchange Company effectively. These costs have been divided into three main categories:

- **Setup Cost:**
  This refers to the costs associated with carrying out the necessary procedures to register and license the new company, including legal verification, obtaining the required permits, and completing the official records to start operations. These costs are linked to the number of procedures that must be followed; the greater the number of procedures, the higher the cost, which may affect the speed of business establishment and the attractiveness of the investment environment. (Mustafa EmreCivelek ,2024)

- **Employment Cost:**
  This refers to the total costs incurred in selecting and deploying the workforce in a cost-effective manner to meet the demand for labor throughout the year. This includes employee salaries according to their different contracts (full-time, part-time, flexible contracts, and subcontractors), taking into account annualized working hours, required skills, and related employment expenses such as recruitment, termination, and training. (Egbert van der Veen,2014)

- **Operating Costs:**
  These are the expenses borne by the entity as a result of carrying out its various operational activities such as production, sales, research and development, and administration. According to the functional presentation method of costs, these expenses are classified based on the function or activity in which the economic resources were consumed, such as “cost of sales,” “administrative expenses,” “marketing expenses,” and others. (Juliane-Rebecca Upmeier,2022)

5.1.1 Setup Cost

- Objective: To estimate the total cost of furnishing the branch.

- We calculated the cost of furnishing the office by:

    - Identifying items such as employee desks, cashier desks, comfortable chairs, and a customer reception desk.
    - Calculating the quantity and unit price of each item.
    - Calculating the total cost of each item (quantity x unit price).

- Objective: To estimate the total cost of furnishing the branch.

Table (23) :Setup Cost Breakdown for Al-Naseem Exchange

SETUP COST			
Item	**Quantity**	**Unit Price (NIS)**	**Total (NIS)**
Employee desksse	6	450	2700
Cashier desks with glass partitions	3	900	2700
Customer reception desk	1	650	650
Comfortable office chairs	6	300	1800
Customer waiting chairs	10	150	1500
Steel safes for money/documents	2	1200	2400
Locked file cabinets	3	450	1350
Shelves/storage drawers	4	200	800
Window curtains	6	100	600
Meeting table	1	900	900
Desktop PCs or laptops	6	2200	13200
Laser printers	2	500	1000
Document scanner	1	400	400
Cash counting machines	2	900	1800
Counterfeit detectors	2	500	1000
Coin counter	1	700	700
Exchange rate display screen	1	1000	1000

UPS (power backup)	2	350	700
Surveillance cameras	8	250	2000
DVR for recording	1	1000	1000
Internal server	1	3000	3000
A4 printing paper (packs)	10	25	250
Receipt/payment notebooks	6	20	120
Pens and stationery	1	200	200
Whiteboards + markers	2	150	300
Flash drives	4	50	200
Hospitality items	1	300	300
Accounting software	1	3500	3500
KYC data registration system	1	1000	1000
Money transfer management system	1	2500	2500
Surveillance integration system	1	1500	1500
Electronic archiving system	1	800	800
Antivirus software (per device)	6	100	600
Daily automatic backup system	1	700	700
High-resolution cameras	4	400	1600
DVR in iron safe box	1	1200	1200
Secured entry gate	1	3000	3000
Electronic safe	1	2500	2500
Alarm system	1	600	600

Metal detector	1	1500	1500
Employee access control system	1	1200	1200
Double security entry door	1	4000	4000
Employee emergency training	1	1000	1000
Total Setup Cost	**69770**		

5.1. 2 Staffing Cos

- Objective: Estimate the annual salary cost for all employees.
- We have prepared a staffing plan that includes:
    - Required positions: branch manager, remittance clerks, key customer clerks, and cashiers.
    - Determine the number of employees for each position.
    - Determine the monthly salaries for each position.
    - Calculate the total annual salary for each category.

Table (24) Comprehensive Financial and Operational Overview for Al-Naseem Exchange

	A	B	C	D
1	Proposed Staffing Plan for Al-Naseem Exchange Company			
2	Position	Quantity	Salary	Total Salary
3	Branch Manager	1	5000	5000
4	Remittance Officers	2	2200	4400
5	VIP Client Officers	2	2000	4000
6	Tellers	3	2200	6600
7	HR/Quality Officer	1	3600	3600
8	Accountant / Financial Manager	1	3200	3200
9	Security Officer	1	2500	2500
10	Cleaner	1	1500	1500
11	Total			30800
12				
13		Annual Staffing cost		
14				PER NIS
15		Sub-Teller ($450 per year)		1665
16		External backup (1 TB hard disk) ($50 per year)		185
17		Electronic archive ($400 per yaer)		1480
18	Annual Staffing cost	Total		3330
19	Total Annual Staffing cost	400400		
20				
21	Total Annual Staffing cost	403730		
22				
23				

5.1.3 Operation Cost

- Objective: To determine the monthly and annual costs of operating the branch efficiently.
- We identified the monthly costs of operating the branch, such as:
    - Office rent, bills, office supplies, insurance, and security.
    - In addition, we included:
    - Annual costs for essential software, such as anti-terrorism software, cloud backup, and
    - currency exchange software.

Table (25) : Monthly and Annual Operating Costs – Al-Naseem Exchange

Monthly Operating Costs - Al-Naseem Exchange Company					
Item	Monthly Cost (NIS)				
Office Rent	3500			ANNAUAL OPERATION	PER NIS
Utilities (Electricity, Water, Internet)	850			Annual exchange program price ($650 per year)	2405
Office Supplies	500			Cloud backup ($100 per year)	370
Security & Insurance	1000			Terrorist lists ($100 per year)	370
Licensing & Regulatory Fees	300			Total	3145
Total Monthly Cost	6150				
Annual cost	73800			Total Annual opperation cost	76945

Conclusion

Table (26) : Total Cost Breakdown for Al-Naseem Exchange

	A	B	C
1			
2			
3		Total cost	
4			
5		**Total Setup Cost**	69770
6		**Total Annual Staffing cost**	403730
7		**Total Annual opperation cost**	76945
8			
9		Total cost	550445
10			

Conclusions

1. **Moderate Gaps in Service Quality**: There is a noticeable gap between customer expectations and actual service delivery across all five quality dimensions—tangibility, reliability, responsiveness, assurance, and empathy—with responsiveness and digital accessibility being the weakest areas.

2. **Customer-Centered Needs for Digital Services**: Survey findings show high demand for digital transformation, including mobile applications, online transaction tracking, real-time notifications, and enhanced cybersecurity.

3. **Operational and Structural Weaknesses**: Al-Naseem suffers from a lack of a documented vision and mission, weak internal communication, insufficient staff training, and the absence of a formal organizational structure.

4. **Limited Service Diversity**: The company mainly offers basic currency exchange services, missing out on growth opportunities from additional offerings like international remittances, digital wallets, and bill payments.

5. **Lack of Marketing and Online Presence**: There is no clear marketing strategy or active engagement on digital platforms, leading to weak customer acquisition and limited brand visibility.

6. **Financial Feasibility and Strategic Potential**: Despite its weaknesses, the company has financial stability and a favorable market position, offering great potential for sustainable development if strategic reforms are implemented.

Recommendations

1. **Accelerate Digital Transformation**:
    - Develop a secure and user-friendly mobile application.
    - Enable digital services like e-payments, live chat, and transaction tracking.
    - Launch an online portal with account access and support services.
2. **Strengthen Cybersecurity Infrastructure**:
    - Implement two-factor authentication and real-time alerts.
    - Establish a dedicated cybersecurity team.
    - Conduct regular security audits and updates.
3. **Develop Staff Competencies**:
    - Conduct ongoing training in customer service, financial compliance, and digital systems.
    - Create performance-based learning paths and onboarding manuals.
    - Encourage knowledge sharing through internal mentorship.
4. **Enhance Organizational Structure**:
    - Adopt a functional organizational chart for clearer roles and improved coordination.
    - Establish performance evaluation systems and feedback channels.
5. **Diversify Service Portfolio**:
    - Offer services such as remittance, digital wallets, bill payment, and prepaid cards.

    - Form partnerships with fintech firms and global transfer services like Western Union.

6. **Implement a Marketing Strategy**:
    - Launch digital campaigns on social media and search platforms.
    - Collaborate with influencers and run customer engagement programs.
    - Regularly produce educational content on financial literacy.
7. **Improve Customer Experience in Branches**:
    - Upgrade physical facilities, including seating, restrooms, and waiting areas.
    - Install digital displays for rates and queue updates.
    - Offer appointment booking to reduce customer wait time.
8. **Regularly Collect Customer Feedback**:
    - Distribute post-service satisfaction surveys.
    - Create a structured complaint resolution system with clear response timelines.
    - Use insights to continuously refine services.

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