

The Impact of the Functional Relationship Between Account Managers and Sales Teams on Enhancing Risk Management: A Case Study of Al Rajhi Bank in Riyadh, Saudi Arabia

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1. the introduction

In the contemporary financial landscape, banks operate within increasingly complex, volatile, and technologydriven environments. As financial institutions navigate intensified

regulatory scrutiny, evolving customer expectations, and heightened market competition, internal operational efficiency has become a key determinant of strategic success and organizational resilience (International Finance Corporation [IFC], 2023). Amid these dynamics, the effectiveness of intraorganizational collaboration, particularly across clientfacing departments, has garnered growing academic and professional interest. One such relationship is between account managers and sales teams two functional areas that traditionally operate in parallel but whose strategic alignment can significantly influence a bank's ability to anticipate and manage risks.

This study is situated at the intersection of organizational behavior, operational risk control, and strategic management within the banking sector. It explores how internal crossfunctional relationships, especially between departments with overlapping client interactions and revenue responsibilities, can contribute to identifying and mitigating operational and reputational risks. With increasing emphasis on integrated risk governance and proactive risk identification, the ability of frontline teams to communicate, share data, and align objectives has become a vital internal capability for financial institutions (Financial Stability Board, 2023). Consequently, investigating the structural and behavioral dimensions of these relationships offers valuable insight into risk management enhancement strategies in modern banking environments.

In the banking sector, the relationship between account managers and sales teams plays a pivotal role in shaping the institution's operational integrity and customer service delivery. Account managers are primarily tasked with maintaining client portfolios, ensuring service continuity, and supporting compliance, while sales teams focus on client acquisition, relationship building, and revenue generation. As emphasized by Thomas and Morris (2021), when these functions operate in alignment, they foster a proactive risk environment that enhances the bank's ability to identify, respond to, and manage both clientrelated and operational risks.

Moreover, the integration of insights from both departments supports betterinformed decisions regarding client segmentation, product suitability, and compliance screening. The Financial Stability Board (2023) highlighted that crossfunctional collaboration within financial institutions significantly strengthens early detection of thirdparty and internal risks, especially when clientfacing departments maintain clear lines of communication and shared accountability. These internal synergies not only streamline workflow but also reduce

duplicative efforts and operational blind spots, which are common precursors to financial risk exposure.

According to the International Finance Corporation (2023), digital transformation has further elevated the need for realtime collaboration across departments, including account management and sales. The ability to utilize shared data systems, such as CRM platforms and digital risk dashboards, depends on the accuracy and timeliness of inputs from both teams. Poor communication or departmental silos may hinder the flow of critical client data, resulting in suboptimal service, increased compliance risk, and diminished customer satisfaction. Therefore, as organizational interdependence grows within financial ecosystems, so too does the strategic significance of the relationship between these key internal stakeholders.

In the contemporary banking industry, risk management represents a cornerstone of institutional stability, customer trust, and regulatory compliance. As banks expand their portfolios and engage in increasingly complex financial instruments, the capacity to identify, assess, and mitigate risks becomes indispensable. According to the Financial Stability Board (2023), effective risk governance within banks is essential not only to prevent systemic disruptions but also to ensure that individual institutions maintain resilience against market volatility, credit exposure, cyber threats, and operational failures.

Islamic banks, in particular, face unique risk profiles due to Shariacompliant structures that emphasize assetbacked financing and profitloss sharing mechanisms. As outlined by AlShammari (2020), the principles of Islamic finance demand a rigorous approach to risk management, particularly in areas such as liquidity risk, credit screening, and operational controls. This specificity requires internal alignment between functional departments and necessitates precise risk assessment methodologies grounded in transparency, accountability, and timely data sharing.

Moreover, the International Finance Corporation (2023) noted that risk management in banks is no longer confined to the upper tiers of governance but has become embedded across multiple layers of operations, from frontline sales and account management to digital infrastructure and compliance monitoring. This integrated approach ensures that risk awareness permeates daily decisionmaking, thereby reducing the likelihood of reputational damage, legal violations, or capital losses. In this context, the effectiveness of internal collaboration particularly between departments such as account management and sales

directly contributes to the early identification of red flags and the implementation of timely corrective actions.

Al Rajhi Bank stands as a prominent and influential institution within the Saudi Arabian banking sector, making it an ideal case study for examining internal collaboration and risk management practices. As the largest Islamic bank in the world by assets, Al Rajhi combines extensive financial services with strict adherence to Shariacompliant principles. This dual structure places significant emphasis on both operational discipline and ethical financial governance, making it a suitable model for analyzing how internal teams particularly account management and sales coordinate to mitigate risks and uphold institutional integrity (Al Rajhi Bank, 2023).

The bank's strategic importance within the national economy also enhances the relevance of this case selection. According to the Saudi Central Bank (2023), Al Rajhi Bank plays a leading role in implementing digital transformation, expanding retail and corporate services, and reinforcing financial stability in line with Vision 2030 objectives. These advancements require robust internal controls, especially as the bank navigates growing regulatory demands, client expectations, and technological integration. By exploring the internal dynamics between key departments, this research will provide insights into how large Islamic financial institutions manage complexity while striving for operational synergy.

Furthermore, the selection of Al Rajhi Bank is justified by its documented commitment to risk governance, as highlighted in its annual financial disclosures. The 2023 Annual Financial Report (Al Rajhi Bank, 2023) outlines the bank's structured approach to enterprise risk management (ERM), including crossdepartmental coordination, digital infrastructure development, and centralized risk oversight. These features provide a rich empirical context for studying how functional relationships influence the effectiveness of risk identification, communication, and mitigation strategies in a realworld, highperforming banking environment.

2. Study problem

In the evolving landscape of modern banking, risk management has become a cornerstone of operational sustainability and regulatory compliance. While banks have increasingly adopted sophisticated systems to monitor and mitigate risks, the human and functional aspects of risk

control remain underexplored particularly the interactions between businessgenerating departments such as account management and sales teams.

Traditionally, risk management has been viewed as the exclusive responsibility of specialized departments. However, recent global financial crises and regulatory changes have shown that effective risk management requires organizationwide collaboration, especially among departments that engage directly with clients, negotiate financial products, or influence exposure levels (Thomas & Morris, 2021). Despite this recognition, there remains a gap in understanding how functional relationships within banks especially between account managers and sales teams can support or hinder risk mitigation efforts.

At Al Rajhi Bank, one of the largest Islamic financial institutions in Saudi Arabia, internal functional integration is crucial to ensuring that risks are identified early, communicated effectively, and responded to proactively. Yet, no empirical academic studies have examined whether the nature and quality of collaboration between account and sales departments impacts risk management effectiveness. Most existing research has focused on compliance frameworks, digital systems, or regulatory alignment, while neglecting the behavioral, communicative, and organizational dynamics that influence operational risk (AlShammari, 2020; AlMutairi, 2021).

Moreover, there is limited literature applying Organizational Integration Theory to the context of Islamic banking, particularly in the GCC region. This presents a critical research gap concerning how interdepartmental communication, role clarity, and shared goals between frontline business units relate to risk identification, reporting, and mitigation in practice.

Therefore, the problem this study seeks to address is the lack of empirical understanding of how the functional relationship between account managers and sales teams influences the effectiveness of risk management, using Al Rajhi Bank in Riyadh as a focused case. By doing so, the study aims to shed light on internal collaboration as a proactive tool for institutional risk governance, offering insights for both theory and practice.

3. Importance of the study

3.1. Theoretical Importance of the Study

This study fills a key gap in academic literature by exploring how interdepartmental relationships specifically between account managers and sales teams impact risk outcomes in the banking sector. While previous research has covered risk management broadly, the role

of these frontline departments in operational coordination and risk mitigation remains underexplored Thomas & Morris, (2021). The study contributes to the Organizational Integration Theory by applying it in a practical Islamic banking context. It investigates how factors like communication flow, role clarity, and structural alignment within Al Rajhi Bank influence risk governance. This realworld application demonstrates the theory’s relevance in complex institutional settings (Financial Stability Board, 2023).

Additionally, the study introduces a new conceptual framework linking functional collaboration to risk mitigation, offering a foundation for future academic debate. It also responds to recent findings (IFC, 2023) highlighting that internal culture and crossdepartmental interactions are critical yet underresearched components of effective risk control—especially in both conventiona and Islamic banks.

3.2. Scientific Significance of the Study

This study makes a significant scientific contribution by adopting a quantitative, empirical approach to examine how the quality of collaboration between account managers and sales teams influences risk management outcomes. Unlike previous studies that relied mainly on qualitative methods (e.g., interviews, case studies), this research uses statistical tools such as SPSSbased Pearson correlation and regression analysis to validate theoretical assumptions (IFC, 2023; Thomas & Morris, 2021).

The study gathers original data from Al Rajhi Bank, making the findings highly relevant to Islamic banking and offering a benchmark for other institutions to conduct comparative analyses. The use of stratified random sampling and structured questionnaires enhances the reliability and reproducibility of the results (Al Rajhi Bank, 2023). Importantly, the study presents new operational indicators such as communication quality, feedback frequency, and coordination protocols as measurable variables. These indicators can be used by future researchers to expand crossdisciplinary studies across finance, human resources, and governance fields (Financial Stability Board, 2023).

Table 1: Practical Beneficiaries of the Study and Their Key Benefits

Beneficiary	Practical Value of the Study
1. Banking Sector	Helps banks (especially Islamic ones like Al Rajhi) improve internal collaboration to reduce risk and boost efficiency.

2. GCC Banks	Provides a regional benchmark that other Gulf banks can adopt to enhance risk governance and align with Vision 2030.
3. Bank Managers & Risk Officers	Offers measurable tools (e.g., communication quality, feedback loops) to assess and improve teamwork and coordination.
4. Regulatory Bodies (e.g., SAMA)	Supplies evidencebased insights to improve policymaking, encourage structured internal collaboration in banks.
5. Vision 2030 Policymakers	Supports national goals of building agile, transparent, and riskresilient financial institutions.
6. Academics & Researchers	Fills a gap in Islamic banking literature and provides a framework for studying crossdepartmental collaboration.
7. Business Schools	Can be used as a teaching case for risk management, organizational behavior, and Islamic finance.
8. Al Rajhi Internal Teams	Shows how better communication between sales and account management improves early risk detection and response.
9. Risk Managers (in banks)	Encourages viewing risk as a shared responsibility—not isolated to the risk department—supporting integrated governance.

4. Study objectives

Main Goal: Examine how the relationship between account managers and sales teams affects risk management at Al Rajhi Bank.

1. Assess the current communication and collaboration between the two departments.
2. Evaluate the extent of joint participation in riskrelated activities (e.g., early warnings, reporting, mitigation).
3. Identify challenges and enablers of effective collaboration (e.g., silos vs. trust, shared KPIs).
4. Analyze how organizational structure and communication systems affect collaboration in risk control.
5. Measure internal practices (e.g., reporting routines, escalation protocols) that support risk mitigation.
6. Apply and test Organizational Integration Theory in the context of Islamic banking.
7. Propose practical strategies for improving interdepartmental collaboration aligned with risk governance goals.

5. Study Question

- ❖ Main Research Question: How does the functional relationship between account managers and sales teams impact the effectiveness of risk management at Al Rajhi Bank in Riyadh, Saudi Arabia?

This question serves as the foundation of the study. It seeks to evaluate whether and how internal functional collaboration contributes to more robust operational and reputational risk mitigation practices, particularly in a banking context that adheres to Islamic financial principles and operates under stringent regulatory environments.

5.1. SubQuestions Derived from the Main Question

To further dissect and operationalize the main research inquiry, the following subquestions have been formulated:

1. What is the current nature of collaboration and communication between account managers and sales teams at Al Rajhi Bank?
2. To what extent do account managers and sales teams participate jointly in risk identification, reporting, and mitigation?
3. What are the perceived challenges and facilitators affecting the functional relationship between these departments?
4. How do organizational structures and communication mechanisms support or hinder this relationship in the context of risk control?
5. What internal practices (e.g., coordination routines, feedback systems) contribute most to effective risk management?

6. Study assignments

Table 2: Core Study Assignments and Their Objectives

Assignment	Brief Description
1. Literature Review	Analyze previous research on interdepartmental collaboration, risk in Islamic banking, and theory gaps.
2. Conceptual Framework	Build a framework based on Organizational Integration Theory, linking collaboration to risk control.
3. Questionnaire Design & Pilot	Develop, test, and validate a structured survey to gather employee views on internal collaboration.
4. Data Collection & Analysis	Use SPSS tools (Pearson correlation, regression) to quantify links between team dynamics and risk outcomes.
5. Policy & Practice Interpretation	Translate results into practical recommendations for banks, regulators, and training programs aligned with Vision 2030.

7. Previous studies

7.1. Introduction to the Literature Review Section

The literature review serves as a critical foundation for any scholarly research, particularly in studies exploring multidimensional organizational phenomena such as interdepartmental collaboration and risk management in banking institutions. By synthesizing findings from previous academic work, this section not only contextualizes the present study but also identifies theoretical and empirical gaps that justify its necessity. As noted by Thomas and Morris (2021), the alignment between sales and risk functions has often been discussed in conceptual terms, but few empirical models validate this relationship in banking settings, especially within Islamic financial institutions.

One of the core objectives of this literature review is to examine the extent to which prior studies have addressed the functional dynamics between account managers and sales teams in the context of risk governance. While several contributions have explored risk management as a standalone theme (AlShammari, 2020), there is limited research on how communication quality, role clarity, and coordination across departments affect the effectiveness of risk controls. This study builds on the strengths of these prior investigations while avoiding redundancy by focusing specifically on the internal mechanisms of Al Rajhi Bank—a domain underrepresented in current scholarship.

Additionally, this review highlights emerging theoretical models, such as Organizational Integration Theory, that provide a relevant lens for analyzing departmental interaction in complex institutions. Despite the theoretical applicability, empirical validation of these models remains sparse in the Saudi banking context. By integrating quantitative methods and organizational theory, this research contributes to bridging that gap, thereby enhancing both conceptual understanding and methodological rigor in the field (Ahmed & Ali, 2021).

Ultimately, the literature review not only informs the research design but also helps delineate the unique contributions of the current study—namely, the development of a new conceptual framework linking interdepartmental relationships with operational risk mitigation. This establishes a solid academic and practical foundation for the chapters that follow.

7.2. Chronological Development of Research (Initial to Recent Studies)

7.2.1 Early Studies (Foundational Concepts)

In the early stages of risk management research within the banking sector, the focus was predominantly on centralized, compliance-driven frameworks. Foundational models such as Basel I and Basel II positioned risk management as a siloed function, largely the responsibility of designated risk departments (AlShammari, 2020). These frameworks emphasized capital adequacy, credit risk, and market risk controls but offered limited discussion on the collaborative role of other departments such as sales or account management. Early empirical studies treated risk management as a static process governed by policy adherence rather than a dynamic, institution-wide function (Basel Committee on Banking Supervision, 2006, as cited in AlShammari, 2020). Consequently, the notion of interdepartmental collaboration in mitigating operational risk was either understated or altogether absent.

7.2.2 MidStage Studies (Emerging Links)

As banking environments became more complex and interdependent, midstage literature began to recognize the importance of internal collaboration in maintaining organizational resilience. Studies from the mid2000s to early 2010s explored how crossfunctional communication and role alignment contributed to improved decisionmaking and compliance culture (Ahmed & Ali, 2021). However, while these works acknowledged collaboration as a soft driver of institutional performance, they lacked specificity in examining particular department relationships—such as between account managers and sales teams—and their roles in risk governance. The literature primarily addressed general managerial integration and organizational performance, leaving a conceptual and empirical gap regarding the triadic relationship among sales, account management, and risk units (Khan, 2019).

7.2.3 Recent Studies (Contemporary Models)

In response to global financial challenges and the operational disruptions witnessed during the COVID19 pandemic, recent scholarship has shifted toward more integrated and agile models of risk management. Contemporary studies post2018 have increasingly emphasized the role of interdepartmental coordination in risk mitigation, particularly within digitalized and Islamic banking environments (AlShammari, 2020). Thomas and Morris (2021), for instance, explored the alignment between sales and risk departments in financial institutions, noting that organizations with stronger internal communication loops exhibited faster risk recognition and resolution. Their work, grounded in practical financial sector insights,

highlights the growing interest in treating collaboration as a core component of enterprise risk management.

Furthermore, research focused on Islamic financial institutions such as AlShammari's (2020) study of Gulf banks has illuminated culturally and operationally unique models of risk governance. These models stress ethical compliance and shared accountability, offering fertile ground for examining how departments traditionally seen as revenue-generating (e.g., sales) contribute to risk-aware decision-making. Such studies lay the groundwork for more focused investigations into the account-sales-risk triad, especially within high-profile institutions like Al Rajhi Bank.

7.3. Points Not Reached by Previous Studies

Despite a growing body of literature addressing enterprise risk management and internal collaboration, several critical areas remain underexplored, particularly in the context of Saudi and Gulf banking institutions. First and foremost, no existing study has quantitatively assessed the direct impact of collaboration between account managers and sales teams on measurable risk outcomes. While works such as Thomas and Morris (2021) underscore the importance of interdepartmental alignment in mitigating risk exposure, they rely predominantly on qualitative insights or conceptual frameworks. This gap in empirical validation limits the generalizability and applicability of their findings in varied banking environments.

Moreover, the regional context of Islamic banks particularly in Saudi Arabia and the broader Gulf Cooperation Council (GCC) has received minimal empirical attention, especially at the level of institution-specific analysis. AlShammari (2020) emphasized the distinct governance and operational principles in Islamic banking, including Sharia compliance and stakeholder-centered risk accountability. However, most existing studies treat Islamic banks as a homogenous group rather than investigating intraregional differences or institution-specific structures such as those at Al Rajhi Bank, one of the most prominent Islamic financial institutions in the world.

Additionally, there has been limited application of Organizational Integration Theory to the study of internal risk control mechanisms in the banking sector. Although the theory is well-suited to explain interdepartmental coordination, communication flow, and shared responsibility, few empirical studies have adopted it as a lens through which to examine the interplay between sales-driven functions and risk oversight (Ahmed & Ali, 2021). This lack

of theoretical application restricts the development of integrative models that explain how collaboration influences risk mitigation at a structural level.

Finally, existing literature has primarily focused on postrisk responses such as damage control and reporting while neglecting the role of functional relationships in proactive risk identification. Studies have not sufficiently examined how account and sales teams, when effectively aligned, may serve as earlywarning systems that flag operational, compliance, or financial risks before they escalate. This is particularly relevant in fastpaced financial environments where delayed risk detection can have significant strategic and regulatory consequences (Khan, 2019).

By addressing these gaps, the present study aims to make a meaningful contribution to both theory and practice, especially in highstakes, realworld settings such as Saudi Arabia's banking sector.

7.4. Summary of Key Results from Previous Research

A review of the existing literature reveals several recurring insights regarding internal collaboration, organizational efficiency, and risk governance in banking institutions. Across various studies, interdepartmental collaboration has consistently been shown to enhance organizational performance, particularly in areas such as customer satisfaction, crossselling effectiveness, and revenue growth (Ahmed & Ali, 2021). However, when it comes to risk mitigation, this functional collaboration remains underexplored. The literature often falls short in examining how synergistic relationships specifically between account managers and sales teams may contribute to risk identification, escalation, and control.

Risk reduction in most studies is primarily attributed to technological systems, compliance frameworks, or topdown policy enforcement (AlShammari, 2020). While these mechanisms are indispensable, they often neglect the human dimension of risk management the communication, coordination, and shared vigilance that emerges from wellintegrated teams. This oversight is particularly striking given that operational risks, by definition, often stem from internal failures in processes or interactions rather than external shocks (Khan, 2019).

Furthermore, several studies highlight that fragmented communication across departments frequently leads to delays in detecting and responding to risk events. For instance, Ahmed and Ali (2021) noted that when sales and operations teams work in silos, key indicators of emerging risk such as sudden client behavior changes or irregular account activities may be

overlooked or reported too late. These findings reinforce the argument for enhancing functional alignment as a tool for realtime risk responsiveness.

Lastly, sales and account management departments have traditionally been framed as revenue-generating units rather than as participants in the broader risk ecosystem. Their roles are typically evaluated through financial performance metrics, with minimal attention paid to their potential contributions to internal control and risk oversight (Thomas & Morris, 2021). This narrow framing limits the development of holistic risk models that account for the operational insights and client-facing intelligence these teams routinely gather.

The current study builds upon these insights by redirecting attention toward the underutilized risk mitigation potential embedded in crossfunctional collaboration within the banking sector specifically within Islamic financial institutions such as Al Rajhi Bank.

7.5. Local Studies

A limited but growing number of local studies have examined risk management practices within the Saudi banking sector and the broader Gulf region. However, these investigations tend to focus on institutional compliance structures and regulatory frameworks rather than the internal dynamics between operational departments. For instance, Al Rajhi Bank's Annual Report (2023) emphasizes the development of a strong risk-aware culture across all operational levels and outlines the implementation of enterprisewide risk management (ERM) frameworks. The report highlights key areas such as risk appetite governance, Shariacompliant product risk, and credit portfolio diversification. Nevertheless, there remains a notable absence of academic research analyzing the bank's internal functional collaboration particularly between account managers and sales teams as a risk mitigation strategy (Al Rajhi Bank, 2023).

Similarly, AlMutairi (2021) conducted a regional study examining the evolution of risk governance practices in Islamic finance institutions across the GCC. His findings confirm that Islamic banks in Saudi Arabia, Kuwait, and Bahrain have made progress in aligning their operations with Basel III requirements and enhancing board-level risk oversight. However, the study's scope was primarily limited to compliance and governance structures, with no exploration of how interdepartmental relationships contribute to identifying and mitigating operational risks. Moreover, AlMutairi's research did not differentiate between departments within the bank that are typically viewed as profit centers such as sales and account

management and those explicitly tasked with compliance, thereby overlooking the potential of crossfunctional coordination as a proactive risk control mechanism.

Consequently, although these local sources provide valuable insights into institutional risk frameworks and regulatory adaptation, they do not address the daytoday interdepartmental communication and operational alignment that often plays a crucial role in identifying earlystage risks. This study thus addresses a clear gap in the literature by empirically investigating the functional relationship between sales and account management teams and its effect on risk control within Al Rajhi Bank a leading institution in both size and Islamic finance governance in Saudi Arabia.

7.6. Foreign Studies

The international literature offers broader perspectives on risk governance, organizational collaboration, and internal control systems, particularly in banking environments within Europe, the United States, and Southeast Asia. These studies have progressively emphasized crossfunctional integration and governance structures as crucial factors in enhancing risk resilience and operational efficiency.

A number of influential reports by global institutions such as the OECD (2022) and the World Bank (2021) have underlined the need for banks to move beyond traditional silobased risk approaches. Instead, they advocate for enterprisewide collaboration as a cornerstone of modern risk practices. According to the OECD (2022), functional cooperation between business development units and compliance functions plays a critical role in early risk detection and improved strategic alignment. The World Bank (2021) similarly noted that fostering shared accountability between customerfacing teams and risk managers is linked to a measurable reduction in operational losses.

In the context of Islamic banking in Asia, particularly Malaysia and Indonesia, research has begun to emphasize the integration of operational units to reinforce financial stability. For example, Ismail and Musa (2020) found that coordinated interaction between marketing, account management, and Shariacompliance units significantly strengthened internal oversight in Malaysian Islamic banks. Their findings indicate that interdepartmental alignment in Islamic financial institutions is not only feasible but also essential for maintaining trust and transparency, especially in products subject to dual compliance (regulatory and Sharia).

In Europe, scholars such as Thomas and Morris (2021) have investigated how internal governance and departmental collaboration affect risk outcomes in commercial banks. Their study in the *Harvard Business Review* identified that banks with formalized communication protocols and shared performance indicators between sales and compliance units exhibited stronger risk responsiveness and cultural alignment. Additionally, Martin et al. (2019) demonstrated that internal trust and interdepartmental synergy were statistically significant predictors of effective operational risk management in European banking institutions. These findings reinforce the necessity of examining risk not solely through a regulatory lens, but also from the perspective of internal relationship dynamics.

Despite these valuable contributions, few foreign studies directly analyze the sales–account management–risk triad within banks. Moreover, little comparative research has been conducted within Islamic banking systems in the Gulf region, creating an opportunity for the current study to bridge the conceptual and empirical divide by focusing on functional collaboration as a measurable factor in risk control at Al Rajhi Bank.

7.7. Critique: Negatives and Limitations of Previous Studies

Despite the growing body of literature on risk management in banking, several critical limitations persist across both regional and international studies. These limitations reveal clear gaps that the current research intends to address through a more integrated, empirical, and contextually sensitive approach.

Firstly, many prior studies were largely descriptive in nature, offering theoretical overviews or policy reviews without developing databacked, actionable frameworks for implementation. For instance, while the OECD (2022) provided a comprehensive outline of enterprisewide risk management best practices, it did not quantitatively test how interdepartmental relationships contribute to those outcomes. Similarly, AlMutairi (2021) focused on Islamic finance compliance standards in the Gulf region but did not move beyond policy analysis to examine internal team dynamics within the banks studied.

Secondly, there has been a consistent overemphasis on formal compliance mechanisms, legal frameworks, and topdown governance structures, often at the expense of exploring human interaction, communication patterns, and role clarity as critical dimensions of risk management (Thomas & Morris, 2021). This approach overlooks the daytoday relational factors that can either strengthen or weaken an institution’s ability to respond to operational threats.

Third, numerous studies tend to treat risk management as a functionally isolated process, located primarily within dedicated risk departments, rather than as a collaborative, crossfunctional responsibility. As noted by Martin et al. (2019), while there is recognition of internal trust and collaboration as soft drivers of performance, these variables are rarely included in formal risk models or examined through empirical testing especially in the context of functional departments like account management and sales.

Moreover, some studies lacked contextual sensitivity when applied to Islamic banking environments. For example, Westernbased models that emphasize interestbearing instruments or shareholderfocused governance may not fully align with the Shariacompliant, stakeholdercentered approach prevalent in institutions like Al Rajhi Bank (Ismail & Musa, 2020). Such discrepancies limit the applicability of findings and highlight the need for regionally grounded frameworks that reflect both cultural and operational realities.

Finally, much of the existing research has overlooked realworld organizational culture and structural barriers that inhibit collaboration across banking departments. For example, the tension between revenuegenerating teams and compliance departments is rarely analyzed through the lens of power dynamics, conflicting performance incentives, or communication breakdowns all of which are relevant in highstakes, riskprone environments (Al Rajhi Bank, 2023).

By addressing these critiques, the current study contributes a multidimensional, contextaware, and empirically grounded investigation of functional relationships within a major Islamic banking institution, offering new insights that extend beyond conventional compliance narratives.

8. Theoretical foundations of the study

Subsection	Key Points
Link Between Theory & Research	• Uses Organizational Integration Theory to explain how coordination between departments improves risk control. • Applies theory in the context of Islamic banking (Al Rajhi Bank) to study integration as a relational process. • Focuses on how communication, shared goals, and role clarity affect risk management outcomes.

The Theory as a Scientific Product	• Theory developed by Lawrence & Lorsch (1967), Galbraith (1973), Mintzberg (1979) to explain crossdepartmental coordination. • Proven valuable in complex, changing environments like banking, where integration boosts risk response. • Reinforced by recent studies showing that poor internal communication delays risk detection (Thomas & Morris, 2021).
Theory Development Over Time	• Originally focused on hierarchies, now includes realtime collaboration and teambased models postCOVID. • Evolving into a behavioral/processbased framework assessing quality of communication and shared accountability. • Underused in Islamic finance, so this study extends its application to the Saudi context (Al Rajhi Bank).
Comparing Theory & Research Idea	• Matches theoretical concepts with research variables (e.g., communication, alignment, silos). • Uses SPSS statistical tools (e.g., regression, correlation) to test theory assumptions in realworld banking. • Challenges theory where needed (e.g., excessive integration might cause delays in riskheavy environments).

9. Research methodology

9.1. Discussion of the Research Methodology

This study uses a quantitative research methodology grounded in a positivist approach, aiming to test hypotheses and identify measurable relationships between internal collaboration and risk management at Al Rajhi Bank. It employs a correlational and explanatory design, focusing on how variables like communication quality and coordination affect outcomes such as incident reporting time and mitigation effectiveness. The methodology is based on deductive logic, drawing from Organizational Integration Theory to form and test theoretical assumptions through empirical data. This structured approach ensures objectivity and scientific rigor.

Al Rajhi Bank was selected as the case study for its strong internal systems and significance in the Islamic banking sector. The bank offers accessible reports and participant availability, making it a suitable environment for data collection and analysis.

The following sections will elaborate on the sampling strategy, survey tools, and SPSS-based statistical techniques (e.g., Pearson correlation, regression analysis) used to ensure the study's validity and reliability.

9.2. Explanation of the Use of Scientific Methods

The study adopts a quantitative descriptive research design to explore and quantify how internal functional collaboration affects risk management effectiveness at Al Rajhi Bank. This method is chosen for its objectivity and its ability to establish statistically valid relationships between variables—such as communication quality, role clarity, and cross-departmental coordination—and risk mitigation outcomes. The research applies Pearson correlation and multiple regression analysis to test the hypotheses, offering high analytical precision and replicability. These techniques align with Organizational Integration Theory, which proposes that effective communication and shared goals enhance institutional performance.

The study also uses SPSS software to manage statistical analysis, ensuring accuracy through checks for normality, linearity, and multicollinearity. This allows the research to clearly interpret how independent variables (e.g., communication flow) influence dependent outcomes (e.g., response time to risk).

Ultimately, this approach strengthens the empirical and methodological contribution of the study, especially in the under-researched context of Islamic banking in the Gulf region.

9.3. Justification for the Research Design and Tools Used

To meet its objectives, the study uses a quantitative descriptive-correlational design, which is appropriate for examining the nature, strength, and direction of relationships between internal collaboration (e.g., between account managers and sales teams) and risk management effectiveness at Al Rajhi Bank. This design supports the study's theoretical foundation in Organizational Integration Theory, which asserts that stronger internal alignment improves organizational outcomes. By using numerical data, the research ensures objectivity and allows for rigorous statistical hypothesis testing.

The target population includes employees from the Account Management, Sales, and Risk Management departments, who are directly involved in operational risk dynamics. To ensure fair representation, the study uses stratified random sampling based on department type, improving the validity and generalizability of results.

Data collection will be carried out using a structured questionnaire consisting of Likert-scale and close-ended items to measure communication, feedback, and collaboration effectiveness. This tool ensures consistency and is widely accepted in organizational studies.

For analysis, the study employs SPSS, using descriptive statistics, Pearson correlation, and multiple regression to explore the relationships between independent (e.g., communication flow) and dependent (e.g., risk mitigation) variables.

Overall, the study combines structured methods, a relevant sample, and validated tools to produce reliable, actionable insights into how interdepartmental collaboration supports risk management in the banking sector.

9.4. Tools and Instruments Used

To collect accurate and consistent data aligned with the study's objectives, a structured questionnaire will be the primary instrument for data collection. This tool is appropriate for quantitative research and enables the systematic gathering of participant responses across key dimensions of the research, including interdepartmental collaboration and risk management practices.

The questionnaire will be developed based on insights drawn from previous empirical studies and theoretical constructs relevant to Organizational Integration Theory and banking risk management frameworks (Lawrence & Lorsch, 1967; Galbraith, 1973; AlMutairi, 2021). It will undergo content validation by academic and professional experts in organizational behavior and financial risk before implementation.

The instrument will consist of three major components:

1. **Demographic Variables:** These will include items such as department affiliation (account management, sales, risk), job position, years of experience, and educational background. These factors allow for subgroup analyses and help identify whether perceptions vary across roles or seniority levels (Thomas & Morris, 2021).
2. **Perceptual Measures:** The core of the questionnaire will use Likertscale items (typically 5point scales ranging from "strongly disagree" to "strongly agree") to assess respondents' views on:
 - ⇒ The quality of collaboration between departments (e.g., mutual support, shared objectives),
 - ⇒ The clarity and flow of communication (e.g., transparency, feedback loops),
 - ⇒ The effectiveness of risk management outcomes (e.g., speed of risk response, coordination in risk identification).

3. Pilot Study and Validation: Prior to fullscale deployment, the questionnaire will be tested in a pilot study involving a small sample ($n = 20\text{--}30$) of Al Rajhi Bank employees. Feedback will be used to revise unclear or ambiguous items. Following this, validity and reliability analyses will be conducted.

⇒ Cronbach's Alpha will be used to assess internal consistency reliability of each subscale (target threshold ≥ 0.70).

⇒ Exploratory Factor Analysis (EFA) may also be used to verify construct validity and ensure that items group appropriately under the intended theoretical dimensions.

Ultimately, the structured questionnaire serves as a robust instrument to investigate how functional relationships between account managers and sales teams correlate with risk management effectiveness—addressing a crucial yet underexplored area in banking operations.

9.5. Ethical Considerations

This study places strong emphasis on ethical integrity due to its involvement with human participants from a sensitive, regulated sector like banking. Several key ethical protocols will be followed to ensure transparency, fairness, and the protection of participants.

- **Informed Consent:**

Participants will receive a clear written explanation of the study's purpose, their rights, and the voluntary nature of participation. They can withdraw at any time without consequences. All responses will be anonymized and used strictly for academic purposes.

- **Confidentiality and Data Protection:**

No personal identifiers will be collected. Data will be securely stored in password-protected files and only used in aggregated form to maintain participant privacy.

- **Institutional Ethics Compliance:**

The researcher will obtain approval from both the university's Institutional Review Board (IRB) and Al Rajhi Bank's compliance office to ensure alignment with all ethical and data governance policies.

- **Avoiding Conflict of Interest or Coercion:**

Supervisors will not recruit their subordinates, and participation will not influence employee evaluations, promotions, or job responsibilities.

- **Use of Results:**

Results will be used solely for academic and organizational learning purposes. Al Rajhi Bank may receive a summary of the findings upon request to promote transparency and mutual benefit.

10. Study limits

10.1. Scope of the Study:

The research explores how collaboration between account managers and sales teams impacts risk management at Al Rajhi Bank in Riyadh. It focuses on internal communication, coordination, and joint decision-making as key influences on operational risk outcomes. The study emphasizes human interaction over technology or policy and uses quantitative methods (surveys) to gather employee insights, offering practical implications for similar Islamic banks in the Gulf.

10.2. Temporal Boundaries:

The study is scheduled for the second half of 2025, with data collection from August to October 2025. This timeframe avoids operational disruptions and focuses on current and recent trends (past 1–3 years), capturing post-COVID risk practices and ensuring timely, relevant findings.

10.3. Spatial Boundaries (Geographical Coverage):

The research is confined to Riyadh, specifically Al Rajhi Bank's Head Office and selected branches. These locations are chosen for their strategic significance and operational diversity. The study excludes branches outside Riyadh and other banks to maintain organizational specificity and control over external variables.

10.4. Thematic Boundaries (Focus Areas):

The research focuses on five interrelated themes:

- **Functional Relationship:** Role clarity and cooperation between account managers and sales teams.
- **Internal Communication & Collaboration:** Communication frequency and coordination methods.
- **Risk Management:** Identification, analysis, and response to operational risk.
- **Impact Measurement:** Use of quantitative tools to assess risk outcomes.
- **Organizational Integration Theory:** The guiding theoretical framework linking collaboration to performance.

10.5. Research Bias (Delimitations):

The study intentionally excludes external factors (e.g., market risks, compliance departments) and focuses only on human interaction within specific departments. These delimitations sharpen the focus on how interpersonal collaboration contributes to risk mitigation in a front-facing banking context, offering practical insights for internal improvement.

11. Conclusion:

By clearly defining the study's scope, timeframe, location, thematic areas, and deliberate delimitations, this research ensures methodological precision and contextual relevance. Focusing on internal functional relationships within Al Rajhi Bank allows for an in-depth exploration of how human-centered collaboration can enhance operational risk management. These boundaries not only support the study's academic rigor but also provide actionable insights that can inform future practices in similar organizational and regional contexts.

12. References

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