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IMPACT OF TRAINING, TRUST AND CUSTOMER SATISFACTION ON THE REPUTATION OF BANKS IN ROMANIA

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Abstract

This research explores the determinants of bank reputation in Romania, focusing on employee professional training, trust, and customer satisfaction. The primary goal was to assess how these factors affect banks' perception and reputation among consumers. Employing a quantitative approach, the study gathered data from 416 Romanian bank customers using a structured questionnaire and analyzed it through hierarchical multi-factorial regression to evaluate the impact of these variables on bank reputation. The findings reveal that professional training of employees and customer trust are key predictors of bank reputation. Customer satisfaction also influences reputation but to a lesser extent when combined with other factors. Additionally, the study emphasizes the significant roles of digitalization and information security in fostering trust and satisfaction, underscoring the necessity for banks to keep pace with technological advancements. Future research directions include investigating these variables among diverse socio-economic and cultural groups. The study acknowledges limitations such as the sample size and composition, which may impact the generalizability of the findings. Overall, the research enriches the literature by demonstrating the complex array of factors that shape bank reputation and underscores the need for an integrated approach in bank management and marketing to align with evolving economic conditions and meet customer expectations effectively.

Key words: *reputation, continuous professional training, trust, customer satisfaction, banks*

1. Introduction

Reputation is a value pursued by organizations because it has numerous benefits on the comerciall aspects of the companies. Researchers have demonstrated on numerous occasions that some organisational characteristics that are more difficult to measure have greater permanence than quantifiable ones. Such an example would be the comparison between companies' products and their reputation (Illia & Balmer, 2012). A sustainably built reputation can provide a competitive advantage in a dynamic competitive environment (De la Fuente and De Quevedo, 2003). In the same direction goes the research conducted by

Gómez-Mejía & Balkin (2002) who state that *among intangible corporate assets, reputation was characterized by managers as the most relevant*.

The financial banking sector is an industry in which reputation is a goal in itself and conditions all activity both internally and externally. Banks consider corporate social responsibility (CSR) as a long-term strategy to create value and to build trust and respect of their customers, partners in particular, and the social community in general. The project of reputation-based development of the financial banking system is important because the whole business strategy has to gain from a differentiation policy based on social, ethical or environmental attributes (Stanisavljević, 2017). Two major schools of thought dominate this segment of research. Economists talk about reputation as a conclusion of the public related to past actions of the organization. They look at reputation in relation to customer expectations and estimations and create a direct dependency relationship with product and service quality. Another approach is offered by those who take an institutional perspective on reputation (Rao, 1994). They consider that reputation is formed as a global perspective based on the interaction of several social actors and mainly emphasize the prominence of the reputation of organizations (Pollock & Rindova, 2003). Although there is a consensus among researchers on the added value that reputation brings to organizations (Barney, 1991; Hall, 1993), the methods by which it can be built remain unclear (Rindova et al., 2005).

In this paper, we will explore the economistic approach of the concept of reputation and we will analyze which are the variables that can lead to an increase in the quality of banking products and services which, in turn, will lead to an increase in the reputation of banks in Romania.

This study aims to analyze and determine the impact of bank employee training, customer trust, customer satisfaction and the demographic profile of the bank's employees on the reputation of banks in Romania. By using a hierarchical multifactor regression analysis, the study will assess which of these factors have the strongest influence on customer perceptions and how these perceptions can be optimized to improve the overall reputation of financial institutions. To achieve the overall objective of the study, the research will test several hypotheses that will explore the relationships between various bank customer traits and their impact on bank reputation.

Hypothesis 1: Continuous professional training of bank employees is an essential element in assessing the reputation of the financial banking system.

Hypothesis 2: Customers' trust in their bank is a determinant of the reputation of the financial banking system.

Hypothesis 3: Customer satisfaction helps to explain the reputation of the financial banking system.

Hypothesis 4: The age and education level of customers influence the perception of the reputation of the financial banking system.

2. Literature review

In recent times, organizations have been forced to transform themselves to become attractive not only to their customers but also to society as a whole (del-Castillo-Feito et al, 2021). But this concern is not a recent one. Freeman (1984) is the one who innovated in this field and explained the relevance of the attention that companies need to offer to other audiences, not only strictly to their customer base. Through stakeholder theory, the author emphasized that profitability is only one of the important indicators of a business, along with this one identifying the care for the effects of the activity on the ecosystem in which you operate (Munteanu et al., 2024). Although it is a concept that still causes dilemmas today, the notion of corporate social responsibility is broadly defined as the response that organizations should have towards society and other stakeholders, not limited to economic aspects (Carroll, 1999).

Social actors including customers, will seek and choose those organizations that structure their activities based on this ethical vision and will ignore institutions that will not honor their obligations regarding social behavior (Fatma & Rahman, 2014). All these *altruistic* actions related to CSR can make customers trust certain organizations over others (Chaudhari et al, 2021). Thus, corporate social responsibility has become a strategic point in the goals of many industries (Du, Bhattacharya & Sen, 2010). Banks are an important partner in the economy of all countries and can significantly impact people's lives, which was proven by the economic crisis of 2008 when the quality of life declined dramatically (Paulík et al., 2015). Trust is a critical element for banks and cannot be separated from the industry because the main foundation of financial banking institutions is the liquidity obtained by collecting people's money (Putera, 2021).

Researchers analyzing the ethical behavior of banks emphasize that banks are still focused on those stakeholders that can cause them immediate gains namely, customers and employees (Perez & Del Bosque, 2012). In this sense, employees can become a more than relevant platform in the implementation of CSR initiatives (Aivaz et al, 2024). As they are an important piece in the organization's success and performance, there is a need for procedures to incentivize them to improve their education and corporate culture on CSR-related topics (Barrena-Martinez, Lopez-Fernandez & Romero-Fernandez, 2019; Pedrini & Ferri, 2011). In order to carry out CSR strategies, banks need to work in such a way as to increase employees' professionalism through training programs on codes of ethics (Frecea et al., 2023), integrity, transparency or engaging in reputation building by collaborating with relevant partners (Graafland & Van deVen, 2011) .

The implementation of CSR policies and practices is highly dependent on employees for cooperation, which also emphasizes the critical role of human resource management (HRM). In order to harmonize the values of the organization, they need to select and hire workers with certain moral principles, develop and reward systems that improve the social performance of their employees, reward employees for harmonizing values, and provide adequate training and development for them (Orlitzky & Swanson, 2006).

Trust as a social phenomenon has been analysed in various ways both in relation to the individual and personal relationships as well as at the organizational and systemic levels (Lane & Bachmann, 1998). Even if trust is not sufficient to create business ties or develop strong collaborations, in discussions of business ties or lasting partnerships, Gambetta (2000) states that the chances of entering into a contract or establishing a business relationship increase significantly when the level of trust is high. The creation of trust can be explained by different theories and one of these theories is the cultural theory which argues that individuals learn from childhood to trust other individuals and this trust is extended throughout their lives to institutions **(**Almond & Verba, 1963; Putnam et al., 1993; Mishler & Rose, 2001).

Another approach, institutional theory, considers that trust is directly proportional to the experience of the individual and the performance of the institutions with which they interact (Coleman, 1990; Nițoi & Pochea, 2024). Researchers argue that trust is a serious foundation both for the external environment of the organization, customers in the portfolio or future customers, and for the internal ecosystem, i.e. employees. With a trusting relationship, companies can shape their reputation in positive terms (Hoelz et al., 2015). The universal literature shows that social trust is indispensable when talking about the financial market and its main actors, financial institutions (Koomson et al., 2023). Trust can be seen as a social good and it plays a determinant role in economic and financial development. Through empirical studies, Mayer (2008) and Guiso, Sapienza & Zingales (2004, 2008) have shown that financial transitions cannot exist without trust.

Researchers are still working to understand which factors may determine trust in the world's financial banking institutions (Fungácová, Hasan & Weill, 2016). On the one hand, there are papers that show us the causes of the problem, i.e. how the 2008 financial crisis led to a general low level of trust in banks (Feir, Wellhausen & Thrall, 2021). On the other hand, van der Cruijsen, de Haan & Roerink (2019) show us that higher levels of financial knowledge and professionalism in banks are often associated with higher levels of trust. A large body of evidence shows that trust in financial institutions depends on the quality of service and the way bankers advise their customers (van der Cruijsen, de Haan and Roerink, 2020). Bravo et al. (2019) captures a key point in the accelerated digitization of the banking industry, namely that in-branch experiences are more relevant in generating trust than offline experiences**.** Trust depends on several factors. Among these, we can highlight the competence of bank staff (Phan and Ghantous, 2013) and the ways in which bank officers use their expertise to find solutions to customer problems (Carbó-Valverde et al., 2013). The involvement of bank employees and the increase in their performance by assuming diverse functions are directly related to the training processes that the organization carries out **(**Coyle-Shapiro, 2002)**.** Quality processes that lead to trust require the development of training programs through which companies involve their human resource towards the direction of development (Kim, Kumar & Kumar, 2012). Researchers have demonstrated in scientific studies that training is more than necessary when the goal of institutions is to implement quality management (van Assen, 2021; Jurburg et al., 2017).

For Romanian banks, building and maintaining customer trust should be a strategic priority, given its significant influence on reputation. Strategies that promote transparency, personal data protection and customer support are essential in building a solid foundation of trust. In addition, effectively managing risks and ensuring open and honest communication with customers can enhance positive perceptions of the bank's financial stability and integrity.

The performance and competitiveness of the financial banking sector is dependent on the satisfaction of its customers (Keisidou et al., 2013; Belás, Chochoľáková, & Gabčová, 2015). The concept of customer satisfaction is defined by researchers as an evaluation by which customers measure an organization's products and services against their expectations (Fornell, 1992). These expectations, more specifically customers' internal emotions can be positive or negative (Ozmen et al., 2017). For the customer, services, in general, involve more expectations about experience and trust and fewer about their properties. Therefore, the evaluation of service qualities is more complex than that of goods.

Lewis and Booms (1983) argued, as long as half a century ago, that quality service delivery means an alignment between customer expectations and business consistency. In today's financial-banking industry, the days when customer satisfaction depended solely on very concrete objective factors such as interest rates or fees charged by the bank are long gone. For a beneficiary of banking services, there are other subjective feelings that can count when analyzing their satisfaction. Here, we can mention the appreciation he or she is shown, how quickly he or she is advised or the approach of bank staff to the customer's needs. All these parameters are extremely difficult to measure and control, which is why the process of customer satisfaction management in commercial banks is an extremely complex one for which researchers have not yet found a universal recipe.

The concept of reputation is commonly referred to as an effect of all actions of an organization (Weigelt & Camerer, 1988). For a long time, researchers have treated reputation in relation to financial performance (Vergin & Qoronfleh, 1998). However, more recent studies have proven that this causal relationship can be bidirectional. Companies with a better reputation have been able to outperform their direct competitors and generate superior financial gains (Roberts & Dowling, 2002). A favorable reputation is an advantage for companies that use this attribute to increase their access to resources and establish trusting relationships with customers (Jena, Pradhan & Panigrahy, 2018). In the transition after the economic crisis, banks have increasingly invested in reputation. Dowling (2001) shows that the reputation of banks can determine customer perception and ultimately the stability of the financial system. In addition to trust, reputation is one of the factors that directly influence customers' choice of banking institutions (Kattel & Shah, 2020). In companies in this sector, there is a culture of having a complex knowledge of customer and market specifics so that their experience is personalized.

3. Methodology

3.1. Methodology design

The study addresses the issue of bank reputation in Romania through a hierarchical regression multi-factorial analysis. The research is conducted in a quantitative framework, which aims to identify and analyze the impact of different variables, such as employee training, customer trust and satisfaction, as well as a number of customer demographic variables, on the perception of bank reputation. This design allows a detailed exploration of the relationships between variables and contributes to building robust predictive models.

The target population for this study consists of bank customers in Romania. The sample was selected using a stratified probability sampling method, ensuring representativeness for different age groups, education levels and gender. The total sample size is 416 respondents, which provides a consistent database for statistical analysis. Data were collected through a structured questionnaire distributed online to facilitate quick and efficient access by a large number of respondents. The questionnaire includes scaled Likert questions, from 1 to 5, to assess customers' perceptions of trust in their banks, satisfaction with the services offered, and their assessment of the training of bank employees. Demographic questions were also included to allow stratified analysis. To ensure the reliability and validity of the responses, the measurement scales used in the questionnaire were pre-tested in a pilot study. Cronbach's Alpha was calculated for each measurement scale to check for internal consistency. Preliminary results indicate satisfactory Alpha values, confirming the reliability of the measurement instruments.

The collected data were analyzed using SPSS software. Initially, a descriptive analysis of the data was performed to obtain an overview of the distribution of the variables studied. Subsequently, a hierarchical multi-factor regression analysis was applied to test the research hypotheses. This type of analysis allows to evaluate the impact of each predictor on the dependent variable. The results are presented in the form of regression coefficients, *t-values*, and *adjusted R-squared*, providing a clear picture of the influence of each factor on bank reputation.

Through this rigorous methodology, the study aims to contribute to the existing literature by providing new and detailed insights into the factors influencing the reputation of banks in Romania, while offering practical recommendations for improving customer perceptions.

3.2. Sample description

According to Table 1, the profile of respondents is varied, reflecting a diversity of genders, ages and educational levels. The majority of respondents are male, representing 68.3% of the total, while females constitute 31.7%. This could influence perceptions of banking services, as men and women may have different experiences and expectations of financial institutions.

In terms of age distribution, most respondents fall into the 35-45 age group (32.9%), followed by the 45-55 age group (21.4%) and those under 25 (20.7%). These data suggest that banks should adapt their services to meet the specific needs of each age group, especially those in the professionally active and those at the beginning of their career. In terms of level of education, a significant 33.2% of respondents have a Master's degree, followed by those with a Bachelor's degree (30.5%) and those with a high school education (24%), with 12.3% of respondents having a PhD. This distribution highlights a well-educated customer base, indicating greater awareness of sophisticated financial products and services. In terms of the length of relationship with the financial-banking system, the majority of respondents (52.9%) have been customers for more than 15 years, indicating a long-standing relationship with their banks. This indicates trust built up over time or resistance to change. Also, 13% of the respondents are customers between 5 and 10 years, followed by various other shorter time categories: 10.8% between 3 and 5 years, 2.4% one year and 2.2% less than 6 months. This information is valuable for banks in trying to understand customer loyalty and reasons for switching.

Thus, analyzing the profile of respondents reveals a complex picture of bank customers, with direct implications for how banks should structure and market their services to meet the diverse needs of their customers.

Table 1 Demographic profile of respondents

	N	%
Gender		
Male	284	68.3
Female	132	31.7
Age		
Under 25	86	20.7
25-35	62	14.9
35-45	137	32.9
45-55	89	21.4
Over 55	42	10.1
Education level		
High School	100	24.0
Doctoral studies	51	12.3
Undergraduate studies	127	30.5
Master studies	238	33.2
Client of the financial-banking system		
6 months	9	2.2
1 year	10	2.4
3 years	27	6.5
3-5 years	45	10.8
5-10 years	54	13
10-15 years	51	12.3
Over 15 years	220	52.9

Note: authors' own processing by SPSS

3.3. Instruments

In the study on the assessment of the reputation of banks in Romania we have developed three constructs: *Trust, Satisfaction and Training*. These give us a broad perspective on how customers perceive and interact with banking institutions.

The *Trust* construct, presented in Table 2, is essential for the efficient functioning of the banking system and is reflected in the measures obtained. The results indicate that trust in the bank with which customers are currently customers is relatively high, with a mean of 4.04, indicating that most customers feel secure with their chosen bank. Trust in the personal banker is also consistent, with an average of 3.87, and the bank's digital applications receive the highest trust, with an average of 4.18. These statistics show a positive adaptation to digitalization and a high degree of trust in digital interactions with the bank.

Table 2 Trust Construct

	Mean	NN	SD
How much confidence do you have in the banking system?	3.68	416	0.893
How much do you trust the bank you are a customer of?	4.04	416	0.795
How much do you trust the banker you interact with at the bank?	3.87	416	0.934
How much digital trust do you have in the bank's digital applications?	4.18	416	0.807

Note: authors' own processing by SPSS

The *Customer Satisfaction* construct in Table 3 is another important pillar, showing the direct impact of customer experience with banking services. Overall satisfaction levels are high, particularly with regard to access to online banking, where satisfaction reaches an average of 4.67, indicating a strong appreciation for modern digital facilities. Satisfaction with banking services and products also remains in a positive register, while satisfaction with fees and interest rates is somewhat lower, which may indicate an area where banks could improve.

Table 3 Customer satisfaction construct

	Mean	N	SD
How satisfied are you with your current bank?	4.15	416	0.796
How satisfied are you with the quality of service at your current bank?	4.11	416	0.787
How satisfied are you with the fees and interest rates charged by your bank?	3.65	416	1.074
How important is online banking for you?	4.67	416	0.637
How satisfied are you with the products offered by the bank	4.00	416	0.834
How would you rate your interaction with your banker?	4.12	416	0.848

Note: authors' own processing by SPSS

The vocational training of bank employees is important for maintaining and improving service quality. The scores on this construct, presented in Table 4, show that customers are quite satisfied with the training of their bankers, with an average of over 4.00 in most aspects of professional competence. Relevant is the level of training compared to the last ten years, where the average score is significantly higher, indicating a perceptible improvement. These scales and scores reflect a positive image of Romanian banks in the eyes of their customers, but also indicate areas where there is potential for improvement, such as in fees and interest rates. Understanding this helps banks to continuously adjust and improve their services to better meet customer expectations.

Table 4 Vocational training construct

	Mean	N	SD
How professionally trained is the banker you work with?	4.08	416	0.783
How do you rate the education of the banker you work with?	4.17	416	0.800
If you had to give a mark, how would you rate the level of training of bank employees?	3.69	416	0.809
How would you assess the trend in the level of training of bank employees (compared to the last 10 years)?	43.80	416	0.881

Note: authors' own processing by SPSS

Table 5 provides an overview of the Cronbach's Alpha coefficient values for each of the study scales, along with additional statistical information such as the number of items in each scale, sample size (N), minimum and maximum scores per scale, mean scores, variance, and the calculated Cronbach's Alpha coefficient. Cronbach's Alpha is a measure of internal consistency reliability, which assesses the extent to which items within a scale measure the same underlying construct. These values are essential for assessing the reliability of the responses obtained in the research.

Table 5 Cronbach Alpha values for the study constructs

	Number of Items	N	Min	Max	Mean	Variance	Cronbach Alpha
Trust	4	416	3.675	4.183	3.942	.048	.831
Satistactie	6	416	3.647	4.666	4.115	.108	.866
Vocational Training	4	416	3.688	4.173	3.114	.052	.848

Note: authors' own processing by SPSS

The four-item *Trust* construct shows a Cronbach Alpha of 0.831, indicating good reliability. This suggests that the questions used to assess trust are cohesive and provide a consistent measure of customers' sense of trust in banks. The overall mean of 3.942 for trust is comparatively high, showing that customers generally have a good level of trust in the banking system. The relatively low variability (variance of 0.048) also emphasizes the uniformity of responses. The *Satisfaction* construct is assessed through six questions and has a Cronbach Alpha of 0.866, which denotes a very good consistency of the questions related to customer satisfaction. The mean of 4.115 reflects a high degree of satisfaction among customers, and the variance of 0.108, somewhat higher compared to confidence, may indicate a slightly wider diversity in individual perceptions of customer satisfaction. For *Vocational Training*, the Cronbach Alpha values are also robust with a score of 0.848. This indicates that the questions related to professional training of bank staff are well chosen and relevant to the topic under analysis. The lower mean of 3.114 for this construct suggests that customers' perceptions of bankers' training are more varied or critical.

Overall, these Cronbach's Alpha scores demonstrate robust internal validity for the measurement instruments used in the study, allowing us to have confidence in the results of the analysis and interpretations of trust, satisfaction and training among bank customers in Romania. These results are fundamental to the complex understanding of the relationship between customers and banks, highlighting areas where banks can improve their services to increase customer satisfaction and trust.

4. Results

The results presented in Table 6 illustrate the progression of the hierarchical multi-factor regression analysis to assess the influence of different factor variables on bank reputation. Each model adds additional factors to see how they affect the explanatory power of the model.

Table 6 *Summary of Hierarchical Multiple Regression Results for Reputation*

	B	*β*	*t*	$R^{(2}$
Model 1				.263
Constant***	0.554		2.107	
Age	0.107	0.177	3.244	
Studies	0.039	0.131	2.408	

Vocational training	0.147	0.487	11.454	
Model 2				.350
Constant***	0.028		0.11	
Age	0.111	0.184	3.581	
Education level	0.027	0.089	1.732	
Vocational training	0.069	0.229	4.338	
Trust	0.115	0.392	7.435	
Model 3				.352
Constant	-0.032		-0.122	
Age	0.109	0.181	3.511	
Education level	0.026	0.088	1.711	
Vocational training	0.062	0.205	3.544	
Trust	0.102	0.349	5.074	
Satisfaction	0.016	0.074	0.997	
*** significant at <.001.				

Note: SPSS.28 results.

Table 6 includes regression coefficients (B), standardized weights (β), t-statistic values and coefficient of determination (R^2) for the three successive models in the bank reputation study. Each model aims to explore the impact of different variables on bank reputation, providing a deep understanding of the determinants.

The first model, which explains 26.3% of the variance of reputation (R^2 = 0.263), includes the variables age, education and training. In this model, the coefficient on vocational training is the largest (B = 0.147), with the highest standardized weight (β = 0.487) and the highest t-value (t = 11.454), indicating that bank employees' vocational training is a strong predictor of bank reputation. Age and education also have a positive impact, but to a reduced extent.

In the second model, the coefficient of determination increases to 35.0% (R^2 = 0.350), indicating an improvement in the model's ability to explain the variance of reputation when trust is included as a predictor variable. Trust exhibits a significant coefficient (B = 0.115) and a large standardized weight (β = 0.392), highlighting the important role of customer trust in the perception of bank reputation. Other variables, such as age and education, retain their impact, although the coefficient for education is lower in this model compared to the first one.

The last model includes satisfaction as an additional variable, but brings a small marginal improvement in the explanatory power of the model (R^2 = 0.352). Satisfaction has a relatively small standardized coefficient and weight (B = 0.016, β = 0.074), and the t-value is below the statistical significance threshold (t = 0.997), indicating that, in the presence of other variables, satisfaction does not contribute significantly to explaining bank reputation. This suggests that while satisfaction is important, in the given context, other factors such as trust and training have a greater impact on perceptions of bank reputation.

Interpretation of these results indicates that, in order to improve reputation, banks should focus on improving employee training and building customer trust. Satisfaction, although important, seems to be overshadowed by these other aspects in the context of bank reputation. These findings could guide banks' strategies in prioritizing resources and initiatives to maximize the impact on their reputation with customers.

5. Discussion

The performed hierarchical multifactor regression analysis identified employee training, trust and customer satisfaction as significant variables in shaping this perception. The results emphasize the importance of well-trained employees and building trust between the bank and its customers, which contribute to a positive public reputation.

Our analysis confirms *Hypothesis 1, as continuous professional training of bank employees plays a serious role in shaping the reputation of the financial banking system*, a finding that aligns with conclusions drawn in other studies. The reputation of banks in Romania is shaped by a number of interlinked factors, including brand, safety, digitization, service quality and, ultimately, profitability. Each of these elements contributes to public perception and the long-term success of financial institutions. Researchers have shown, in numerous studies, that reputation is a relevant value for companies.The surplus value can be so great that Helm (2007) goes so far as to argue that reputation is the most valuable intangible asset a firm can have. The link between employer and employee is a bilateral one. Certainly, a company with a good reputation is like a magnet for employees and contributes to their self-esteem or a growing commitment to preserve the positive perception about the company (Cable & Turban, 2003). On the other hand, especially in services, employees work, every day, to build a good reputation for the company through a good quality of interaction with their customers (Davies et al., 2003; Helm, 2007). Van Assen's (2011) research argues that quality management can be successfully executed in companies with the help of a important process and that is training. As we showed in our study, the heavy legacy of the economic crisis has forced financial banking institutions to implement principles of corporate social responsibility and train their employees in order to succeed in restoring their tarnished trust and reputation (Chatterjee & Lefcovitch, 2009; Soana, 2011).

Regarding *Hypothesis 2 as customers' trust in their bank is a determinant of the reputation of the financial banking system, our results shows that* bank's brand identity is necessary to cultivate customer trust and loyalty. A strong and well-defined brand communicates the bank's values and commitments, thereby building consumer trust. Transparency and integrity in actions and communication are essential to maintain this trust and strengthen the bank's reputation. Trust is a fundamental element in any economic relationship and represents a customer's belief that his or her bank will act in a way that is to his or her benefit. This conclusion is consistent with findings from other research. Mayer, Davis & Schoorman (1995) define trust as the willingness of one party to be vulnerable to the actions of the other party, based on the expectation that the other party will act beneficially, regardless of monitoring capacity. In the banking context, this translates into customers' belief that the bank will manage funds and investments efficiently and securely (Jurburg et al, 1995).

A bank's reputation is perceived as the sum of the positive or negative evaluations that the general public and customers make of its capabilities and intentions. Fombrun and

Van Riel (2003) emphasize that reputation is an intangible asset that influences stakeholder expectations and behaviors. In the banking sector, customer trust can be seen as a predictor of a bank's stability and integrity, directly influencing its reputation. A solid reputation can alleviate customer fears in times of financial uncertainty, strengthening customer loyalty (Budean & Pitariu, 2009). Various studies have examined the link between customer trust and bank reputation. For example, research by Sirdeshmukh, Singh & Sabol (2002) demonstrates that trust plays a mediating role in the relationship between perceived service quality and customer loyalty. In the banking sector, this can be extrapolated to suggest that customer trust in banks mediates the relationship between bank service quality and the reputation of the banking financial system.

Our analysis supports *Hypothesis 3, showing that customer satisfaction significantly influences the reputation of the financial banking system*, a conclusion that is consistent with findings from other research. Projects through which banks aim to improve customer satisfaction should be structured along three dimensions: customer interaction with the bank from an organizational perspective, customer interaction with the bank in relation to the business relationship and the perspective of employees as the interface of the bank (Belás & Gabčová, 2016) Service quality is directly correlated with profitability. Banking services that meet and exceed customer expectations generate revenue through loyalty and increased customer base. In contrast, services that do not meet these expectations can lead to customer churn and lower revenues, undermining bank profitability.

Our analysis validates Hypothesis 4, indicating that the age and educational level of customers impact their perceptions of the reputation of the financial banking system, a finding that resonates with results from previous studies.

Highlighting the impact of training and trust, our research suggests that investing in continuous employee education and in technologies that support transparency and information security can significantly improve public perception. In modern banking, companies hold huge portfolios of customer data so that they can create an appropriate strategy that increases both customer satisfaction and profitability of the firm. *Customer profiling or customer segmentation, as* these processes are called, are used so that banks categorize and approach customers based on characteristics such as age, gender or education (Dawood, Elfakhrany & Maghraby, 2019).

In the current context, where the digitization of financial services is becoming increasingly pronounced, trust in banking applications plays an important role, as indicated by high trust scores in these platforms. As banks expand their digital services, information security becomes a critical issue. Investments in cyber security are indispensable to protect customer data and prevent potential fraud. These security measures not only protect customers, but also strengthen their confidence in the bank's ability to provide secure and modern services. Digitization can revolutionize the quality of banking services by giving customers fast and convenient access to them anytime, anywhere. It is crucial, however, for banks to maintain a balance between technology and human interaction to ensure that all customer needs are met efficiently. High-quality services not only enhance the user experience, but also help with user retention, which is directly linked to the bank's financial stability.

It is therefore essential that banks take a holistic approach to managing these interrelated issues. By effectively integrating security measures, promoting a strong brand, and investing in the quality and digitization of services, banks can significantly improve their reputation and, by extension, their profitability. These strategies not only increase customer trust and satisfaction, but also ensure the long-term sustainability of financial institutions in a dynamic and competitive economic landscape.

While the study provides valuable insights, it is limited by the size and diversity of its sample, focusing predominantly on customers with higher education and a long-term relationship with banks. Future studies could explore the same variables among more socio-economically or culturally diverse groups to check the consistency of results across different contexts and to provide a more complete picture of the internal factors that contribute to reputation building.

6. Conclusions

As part of the international whole, about three quarters of companies in Romania believe that the labor market is in need of or undergoing a transformation. According to the World Economic Form's latest report, employers see employee skills gaps as the main causes blocking improvement processes. 94% of employers consider vocational training as the solution to improve workforce skills, which is higher than the global average (85%) World Economic Forum, 2025). The financial-banking industry is no exception in this landscape and requires major up-skilling processes so that bank staff remain relevant (World Economic Forum, 2025). Our research has shown that training has a significant impact on the reputation of banks in Romania. As such, it can be used by professionals in the field so as to develop their HR initiatives in this direction. In order to enhance their reputation, banks can direct their resources to design continuous learning programs that contain both the specialized and technological curricula necessary for today's e-banking. At the same time, keeping in mind that customer trust also has an important impact on reputation, banks can invest in training courses that focus on communication skills, conflict resolution and building customer relationships. Training with a strong emphasis on empathy and active listening can help employees to better advise customers.

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