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AN INVESTIGATION INTO THE IMPACT OF BUSINESS ETHICS ON CORPORATE PERFORMANCE IN THE ZIMBABWEAN BANKING SECTOR

By

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DEDICATION

I dedicate this research to my family that is my siblings and dear lovely parents.

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I thank God for his never ending grace.

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ABSTRACT

Previous researches have proven that there exists a positive link between business ethics and corporate performance, but there seem to be a dearth of literature relating to the Zimbabwean banking sector. Hence, the main purpose of the study was to assess the impact of business ethics on corporate performance in the Zimbabwe banking sector focusing on FBC bank and Metbank. Specifically, the study aimed to establish the impact of reliability, social corporate responsibility, honesty, compliance and transparency on corporate performance in the Zimbabwean banking sector. The study was purely quantitative and adopted the positivism research philosophy. Explanatory research design and a deductive research approach were adopted. The study population comprised of employees and managers of targeted commercial banks operating in Harare. Convenience sampling was used to select a sample size of 136 respondents. A self-administered survey questionnaire was used to collect data and data was analyzed using descriptive and inferential statistics. Multiple linear regression was used to establish the impact of business ethics on performance of banks in Zimbabwe. The study attained a successful response rate of 86%. The study established a positive significant relationship between business ethics (honesty, compliance and transparency) and bank performance whilst reliability and social corporate responsibility were found to have negative insignificant influence on corporate performance of the banks in Zimbabwe. Thus, the study reached the conclusion that transparency, compliance and honesty positively and significantly influences corporate performance in the Zimbabwean banking sector. Therefore, recommended management of banks to train employees in order to increase competence with regards to ethical issues. The study suggested for further studies to be done using secondary data so as to have a true reflection of the effect of business ethics on performance using real-world evidence.

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LIST OF ACRONYMS AND ABBREVIATIONS

ANOVA	Analysis of Variance
ATM	Automated Teller Machine
BAZ	Bankers Association of Zimbabwe
BCCI	Bank of Credit and Commerce International
CBD	Central Business District
CSR	Corporate Social Responsibility
GSM	Graduate School of Management
IMF	International Monetary Fund
MFIs	Microfinance Institutions
NPLs	Non-performing Loans
PLS	Partial Least Squares
ROA	Return on Assets
POS	Point of Sale
RBZ	Reserve Bank of Zimbabwe
RTGS	Real-Time Gross Settlement
ROE	Return on Equity
SPSS	Scientific Package for Social Sciences
USD	United States Dollar

CHAPTER ONE

INTRODUCTION AND BACKGROUND TO THE RESEARCH PROBLEM

1.1 CHAPTER INTRODUCTION

This chapter aimed at introducing the research study on the investigation into the impact of business ethics on corporate performance in the Zimbabwean banking industry from 2010 to 2018. Specifically, the chapter outlined the introduction and background to the study followed by the statement of the problem, research objectives, research questions, research hypothesis, delimitations of the study, significance of the study, dissertation outline and finally the chapter conclusion.

1.2 INTRODUCTION TO STUDY

According to Boahene (2015), business ethics over the years has become a very important topic for discussion in the corporate world. Consumers and various pressure groups are agitating for organizations to adopt more ethical and environmentally acceptable ways of doing business. The culture and structure of an organization is hinged on business ethics. The good ethical culture in an organization will provide direction and guidance in various areas in order to build united, harmonious and ethical employees (Salahudin *et al.* 2016). Thus to ensure continuity of an organization, management has to take a holistic view on its business ethics practices.

Ethics issues are not entirely a new subject matter as they have occurred in various media on countless occasions such as the Enron accounting scandal. Ethics is about integrity, fairness as well as honesty. In essence, ethics is concerned with what is right or good. Ethics, therefore, involves moral choices between right and wrong. These characteristics are needed in business so as to ensure the smooth flow of business to achieve intended goals. The significance of ethics in business has been brought to scrutiny in the modern organization due to corporate failures and collapses that have occurred over the past two decades thereby having diverse effects on organizational performance. Many companies may go bankrupt because of lack of a well-established and organized business strategies, poor quality of products, lack of innovation, focus on gaining immediate profit but it seems that nowadays ethics is strongly influencing business success (Albu *et al.* 2017).The performance of an organization is sometimes based on the ethical work climate (Ebitu and Beredugo, 2015). An ethical work climate reflects the collective moral reasoning of organization members. Thus, a strong ethical climate provides employees a foundation for thinking about moral issues.

The issue of unethical business practices has been witnessed in different sectors in both developing and developed countries and the Zimbabwean banking sector is of no exception. The banking sector of Zimbabwe has been characterized by a number of banks that collapsed from the year 2001 with the sector recording more than 17 banking institutions that were either placed under curatorship or closed (Reserve bank of Zimbabwe (RBZ), 2017). These institutions include failure of the Renaissance Merchant Bank, AfrAsia Bank Zimbabwe, Trust Bank, Interfin, Genesis Bank, Allied Bank, Royal Bank and Capital Bank (RBZ, 2017). Chief amongst the reasons of the collapse are corporate governance and unethical business practices surrounding the banking sector (Shungu, Ndlovu & Ngirande, 2014).

According to the mid-term monetary policy statement of 2014, the central bank (RBZ) was concerned with unethical practices and indiscipline in the banking sector which ranged from deliberate misclassification of loans, falsification of records, camouflaging the level of non-performing loans (NPLs). During the presentation, the RBZ governor, Dr. Mangudya highlighted that the malpractices compromised performance of the banking sector in general (RBZ, 2014). The governor further added that the banking business calls for high levels of transparency, accountability, honesty and integrity on the part of bankers, hence, calling upon the financial institutions to uphold ethical conduct in order to maintain confidence in the banking sector and eventually boost performance (Nyangara, Nyangara & Mazviona, 2014).

Furthermore, the policy dialogue facilitated by the Ethics and Accountability Forum of Transparency International Zimbabwe (TIZ) in conjunction with the Southern African

Political Economies (SAPEs) trust in September 2015 revealed that transparency and compliance are some of the business ethics that can be used to gauge performance of the Zimbabwean banking sector (Mutingwende, 2015). According to the RBZ, (2017) report, although performance of the banking sector continues to rise, stability has been weakened by poor corporate governance; lack of transparency, inadequate disclosure, poor regulatory framework and regulations, inadequate supervision and enforcement as well as macro-economic instability.

Several studies on business ethics and corporate performance have been conducted and most of them have agreed that business ethics influences firm performance. For example a study done by Nyangara (2015) stated that there is universal acknowledgment amongst analysts that the bank closures were caused by business ethics and corporate governance shortcomings. Maliki (2014) and Dzeka (2016) added that Zimbabwean banking institutions lag behind on social investments which have strategically undermined their performance. Ogbo, Okechukwu, and Ukpere (2017) also found that business ethics is a tool for competitive advantage in the Nigerian banking industry. In another studies Kipruto (2014) and Mbithi (2015) determined the effect of CSR on performance of commercial banks in Kenya and found a positive effect. Tung'a (2014) assessed the relationship between compliance risk management and bank performance in Kenya and found that accountability and compliance positively influences financial performance of banks in Kenya. In Ghana, Boahene (2015) investigated the effect of business ethics on performance of the banking industry and a significant positive relationship between business ethics practices (reliability, social responsibility, honesty and integrity, compliance, transparency) and performance was found.

Based on the review of relevant literature and to the knowledge of the researcher, although a number of studies have been conducted, relatively limited attention has been done on business ethics and corporate performance of the banking sector particularly in the context of Zimbabwe. Thus, the researcher has been motivated by this dearth of literature to assess the effect of business ethics on performance of the banking sector in Zimbabwe. The study sought to fill the knowledge gap by investing the impact of business ethics on corporate performance in Zimbabwe in the banking sector with a particular focus on FBC Bank and Metropolitan bank from 2010 to 2018.

1.3 BACKGROUND OF THE STUDY

Despite the importance of business ethics, no organization is immune to corporate scandals concerning violation of ethics in business. A vast number of cases have been reported worldwide of malpractices beyond ethical conduct. The Bank of Credit and Commerce International (BCCI) is an example that caused shock waves in the banking industry on an international scene due to gross banking malpractice and mismanagement. According to the Union of International Associations (UIA) (2017), BCCI was involved in drug trafficking and money-laundering and had illegally acquired Washington's biggest bank, the First American Bank, as a front. The BCCI used a four- phase plan to conceal its massive treasury losses as follows:

1) Funds were stolen from client accounts, notably in Caymans and London;
2) The money was transferred to third- party banks; those banks deposited the funds in BCCI without indicating their origin; such funds were then recorded as fresh deposits.
3) Other techniques included booking fictitious loans to clients and using the cash itself;
4) Accepting deposits from customers without recording it in the accounts. The bank had been accused of laxity in supervising BCCI operations in the UK.

In Africa, particularly in Nigeria, there are a lot of unethical practices that are existent especially in the banking sector in which 26 commercial banks collapsed due to financial irregularities (Bello, 2012).

This study is focusing on the banking industry of Zimbabwe. The banking sector has been characterised by a number of local banks that closed up from the year 2001 to 2013 with 2004 having the highest number of bank closures. CFX, IBC, Interfin, Genesis, National Discount House of Zimbabwe, Royal, Barbican and Trust Bank are some of the banks that folded during the period 2009-2013 (Kohli, 2013). Some of the internal reasons for closure are as follows:

a) Failure to meet capitalization requirements as stipulated by the RBZ;

b) Existence of a large number of non-performing loans, as a result of excessive lending;

c) Poor corporate governance, ethics and corporate structures;

d) Undercapitalization of a bank thereby causing banks to use depositor's funds to meet day to day operations and costs (Kohli, 2013).

As for the external environment, there are the following Political, Economic, Social-Cultural, Technological and Legal (PESTEL) environmental factors that took place in the period under review:

1.3.1 Political Environment

Zimbabwe has been affected by the economic sanctions hammered by the Western countries over the past 15 years which could have affected the performance of a local bank. This has however affected the lines of credit from multilateral institutions such as the World Bank and International Monetary Fund (IMF). By so doing the Reserve Bank of Zimbabwe function on accessing funding in a bid to sustain the local banks as a lender of last resort was minimized. In a bid to stay in business in Zimbabwe, three British banks were alleged to have financed political regimes. Such unethical practices have an effect on business performance. Introduction of the Government of National Unity in 2009 instilled a lifeline in the banking sector although there was uncertainty amongst the foreign banks (Kohli, 2013).

1.3.2 Economic Environment

The economy was deteriorating gradually as the hyperinflation affected the cost of production and eroded the incomes. It was inevitable for banks to battle for survival due to poor economic performance. The IMF began to expel Zimbabwe from the fund due to unpaid dues for the previous three dated years. The inflation rate in 2006 rose to 1000% as new notes were issued that same year. Things got even worse as the government introduced price freezing as well as wages. This caused low capacity utilization of companies as well as depressing demand for goods and services. These multiplier effects had an unavoidable effect on savings thereby affecting the banks to a greater extent. The introduction of the government of National Unity in 2009, however, marked the resuscitation of the economy (Khumalo, 2017). According to RBZ (2019) in the Monetary policy statement, inflation decreased thereafter to rates of below 2.91% due to the introduction of the multi-currency regime, using the United States dollar, Rand and Pula which were less volatile than the Zimbabwean dollar. Minimum capital requirements were introduced by the RBZ in a bid to ensure financial stability in the economy. Although business performance for banks improved after the introduction of the Government of national unity, cases of unethical conduct in bank operations were still neglected and not much talked about.

1.3.3 Socio-Cultural Environment

The unemployment rate in Zimbabwe continued to increase owing to low capacity utilization and closures. It was estimated that the unemployment rate at 95%. This was due to a poor economic situation. Brain drain however increased as more people migrated to neighboring countries to seek employment and trading of goods. It is inevitable that when a country is facing economic challenges, it would also face challenges in the health system. HIV and Aids cases prevailed resulting in child-headed families who find it difficult to fend for themselves adequately. This eroded the middle-class society and widened the income inequality rate, increasing the gap between the rich and the poor.

Continued rationing of basic needs such as clean water, electricity as well as food also affected Zimbabwe. The effects of globalization also affected the way business was undertaken in the nation due to new concepts and way of doing that however caused a stir on the culture of Zimbabwean. These factors directly and indirectly affected the banking sector as day to day challenges have a bearing on how one operates neglecting ethical principles not only in the banking industry but also in the business world.

1.3.4 Technological Environment

The use of technology in the banking sector is of paramount importance. An investment was made in ICT by banks during this period of study. Banks introduced a facility of e-banking and retail division to move in line with the advances in technology. These products include Automated teller machines (ATM), Point of Sale (POS), master cards, debit cards just to mention a few. Mobile banking also became more prevalent as it accommodated the unbanked population thereby enhancing financial inclusion. According to the Zimbabwe Banking Sector Report (2018), the RBZ to date point of sale machines increased by 20% to 70,000 units by the end of 2017, against a target of 100,000 that have been set by the RBZ by 2020.

1.3.5 Legal Environment

Changes occurred drastically in the legal environment during the period under review. This included the adoption of a New Constitution and passing of indigenization and empowerment law. Such changes were likely to cause bank failure to a certain extent (Kohli, 2013).

Having taken note of the background of the study, it can be deduced that even though there were other reasons of the collapse and failure of banks, the issue to do with business ethics is a force to reckon. The RBZ gave blame to the ethical conduct of some boards in the way they handled bank matters which caused a fall in bank performance. In the Mid Term Monetary policy (2014) the central bank was concerned with unethical practices and indiscipline in the banking sector. These unethical practices include camouflaging of non-performing loans (NPL), deliberate misclassification and falsification of records leading to under provision and control override to imprudent lending. According to Mangudya (2014),the RBZ noted that *"The Reserve bank calls upon banking institutions to uphold ethical conduct in their dealings with the members of the public in order to maintain confidence in the financial sector".* From these sentiments, it can thus be deduced that the impact of business ethics affecting corporate performance is being overshadowed by banks. This means that there possibly is an impact on corporate performance being attributed by either good or bad business ethics.

Of the 17 institutions that closed between 2001 and 2008, the main striking feature of failure of most of the banks shows unethical business practices and poor corporate governance. The Bankers Association of Zimbabwe (BAZ) admitted that most of the bank closures were owed to corporate governance malpractices. Senior Management and shareholders are alleged to have used depositor's funds in engaging in non-banking activities as well as channeling funds to non-regulated entities.

1.4 An Overview of the Zimbabwe banking sector

1.4.1 Architecture of the Banking Sector

The Zimbabwe banking sector consists of a Central Bank, discount houses, commercial banks, merchant banks, finance houses, building societies, the Post Office Savings Bank, numerous insurance companies, pension funds, stock exchange and microfinance institutions (both deposit taking and credit only) (Kulupi, 2013). According to RBZ there were 19 banks operating as at December 2018. Of those 19 banks, 13 are commercial banks, 5 building societies, and one savings bank. These are shown in Table 1.1.

Table 1.1: The architecture of the Zimbabwean banking industry

Type of Institution	Number
Commercial Banks	13
Building societies	5
Savings Bank	1
Total Banking Institutions	**19**
Other Institutions under the supervision of Reserve Bank	
Credit-only-Micro-Finance Institutions (MFIs)	199
Deposit-taking MFIs	6
Development Financial Institutions	2
Total	**226**

Source: RBZ (2019)

1.4.2 Performance of the Banking Sector

According to Reserve Bank of Zimbabwe (2019), the banking sector remained generally stable as reflected by adequate capitalization and improved earnings performance for the period ended 31 December 2018. There was deterioration in asset quality as denoted by an increase in the average non-performing loans to total loans from 7 % in 2017 to 8.39 % in 2019 surpassing the benchmark of 5%. This meant that there was an increase in credit risk in the banking sector. In terms of deposits, the total amount of deposits amounted to USD 10.3 billion as at 31 December 2018 from USD 8.43 billion as of 31 December 2017. The banking sector remained adequately capitalized with average tier 1 and capital adequacy ratios of 23.84% and 30.27%, respectively. The banking sector aggregate core capital increased by 15.32%, from USD 1.37 billion as at 31 December 2017 to USD 1.58 billion as at 31 December 2018 (Reserve Bank of Zimbabwe, 2019).

1.4.3 Code of Banking

According to Boahene (2015), when businesses are part of the general community, their operations or activities should be guided by codes of conduct or norms that will direct their behaviors. The ethical activities of a business in trying to achieve their business objectives and goals are a major principle in achieving a sustainable organizational practice. In the Zimbabwe banking sector, banks have adopted a signed code of banking introduced by the Bankers Association of Zimbabwe in 2015 (Mphambela, 2015)**.**The banks have undertaken that they will observe various principles in their day to day interactions with the banking public. The banks have collectively agreed;

a) Act fairly and reasonably in all our dealings with customers;

b) Ensure that all banking services and products comply with the Code of Practice, even where these have their own terms and conditions;

c) Give customers full information on services and products in plain language, and offer help if there is any aspect which customers may not understand;

d) Take actions that foster confidence in the banking system;

e) Help customers to choose services or products to suit their needs by promoting competition and innovation;

f) Help customers to understand the basic financial implications and risks of using certain products from banks such as loan products, savings, and investment products, card products payment services (Telegraphic Transfers and Internet Banking),electronic banking products, mortgages and debit orders/stop orders.

g) The Code also articulates the consequences and risks of failure to comply with the KYC requirements and anti-money laundering laws, thefts/fraud unclaimed funds, shares, and dividends (RBZ, 2017).

1.5 STATEMENT OF THE PROBLEM

Globally, the issue of unethical business practices has been witnessed across different economies and the Zimbabwe financial sector is of no exception. The financial sector of Zimbabwe has been characterized by a number of bank failures since 2001 (RBZ, 2017). A number of financial institutions both local and international banks have either been closed or placed under curatorship in order to protect depositors' funds, protection of bank assets and to ensure stability. Poor corporate governance and unethical business practices such as use of depositor's funds within the banking sector have been blamed for the collapse of the banking institutions (Shungu *et al*. 2014; RBZ, 2017). For example a number of banks including Renaissance Merchant Bank, Trust Bank and Genesis Bank among others have been involved in unethical practices which eventually led to their failure (Shungu *et al*. 2014). The central bank (RBZ) has been concerned with unethical practices within the sector highlighting that the malpractices compromised performance and trust of the banking sector (RBZ, 2017). Hence, financial institutions have been called to uphold ethical conduct in order to maintain confidence in the banking sector and eventually boost performance (Nyangara *et al*. 2014). Thus, this study sought to establish whether practicing good business ethics influences performance of the banking sector in Zimbabwe with a particular focus on FBC Bank and Metropolitan bank from 2010 to 2018.

1.6 RESEARCH OBJECTIVES

1.6.1 Main Objective

The main aim of the study was to ascertain the impact of business ethics on corporate performance in the Zimbabwe banking sector.

1.6.2 Specific Objectives

This study was guided by the following specific objectives.

a) To establish the impact of reliability measures on corporate performance in the Zimbabwe banking sector;

b) To analyze the impact of social corporate responsibility on corporate performance in the Zimbabwe banking sector;

c) To examine the extent to which honesty has on corporate performance in the Zimbabwe banking sector;

d) To investigate the impact of compliance on corporate performance in the Zimbabwe banking sector and

e) To ascertain the impact of transparency on corporate performance in the Zimbabwe banking sector.

1.7 RESEARCH QUESTIONS

1.7.1 Major Research Question

1) What is the impact of business ethics on corporate performance in the Zimbabwe banking sector?

1.7.2 Specific Research Questions

a) What is the impact of reliability measures on corporate performance in the Zimbabwe banking sector?

b) To what extent does social corporate responsibility influence corporate performance in Zimbabwe banking sector?

c) How does honesty impact on corporate performance in the Zimbabwe banking sector?

d) What is the impact of compliance on corporate performance in the Zimbabwe banking sector?

e) How does transparency impact on corporate performance in the Zimbabwe banking sector?

1.8 RESEARCH HYPOTHESES

H_1: Good business ethics positively affects corporate performance in the Zimbabwe banking sector.

H_2: Reliability has a positive impact on corporate performance in the Zimbabwe banking sector.

H_3: Social Corporate Responsibility has a positive impact on corporate performance in the Zimbabwe banking sector.

H_4: Honesty has a positive impact on corporate performance in the Zimbabwe banking sector.

H_5: Compliance has a positive impact on corporate performance in the Zimbabwe banking sector.

H_6: Transparency has a positive impact on corporate performance in the Zimbabwe banking sector.

1.9 DELIMITATIONS OF THE STUDY

The study on ethics is wide indeed. This study focused on the impact of business ethics on business performance. Due to time constraints, the study was undertaken from two banks namely FBC Bank and Metbank operating in Harare Metropolitan Province.

1.10 SIGNIFICANCE OF RESEARCH

This study was of significance and useful to the government as well as commercial banks in the banking sector of Zimbabwe in establishing the influence of business ethics on corporate performance. It gave measures and recommendations which may impact positively on corporate performance of the banks and the banking sector at large. It also acted as an encouragement to other researchers to study more on business ethics as it is a typical burning issue in the business fraternity. The study also equipped policymakers as they obtain inputs. Lastly, the study was also part of the requirement to be awarded the MBA degree offered by the University of Zimbabwe.

1.11 DISSERTATION OUTLINE

The structure of the dissertation is as follows:

Chapter one considered an introduction to the work and it showed the background of the study, the statement of the problem, the research objectives, questions scope of the study limitation, a brief outline of methodology and the significance of the research. Chapter two has pertinent literature on the subject matter being discussed. The literature on business ethics and corporate performance were gathered. Chapter three focused at the research methodology adopted for the conduct of the research. It included areas like the research design; population and sampling technique. Chapter four considered the analysis of results, presentation, and discussion. Chapter five focused at conclusions and recommendations.

1.12 CHAPTER SUMMARY

Chapter one outlined the introduction and background to the impact of business ethics on corporate performance. To ascertain the relationship among these variables, objectives and research questions were stated, including the hypothesis. The significance of the study to various stakeholders was outlined, as well as how the study was going to be conducted to ensure quality research. Chapter two, which follows, will examine the literature review and provide the conceptual framework of this study.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter reviews the literature relevant to the study on the impact of business ethics on corporate performance. It attempts to bring out other researches which are directly or generally related to the research topic. It defines the key variables and their elements. An analysis of the theoretical literature and empirical review is also done in this chapter with then determines the research gap of the study. The conceptual framework is to be derived thereafter in the research.

2.2 EXPLANATION OF THE SEARCH STRATEGY FOR THE LITERATURE

This chapter made use of a pool of online as well as offline literature to do with the subject matters in question which are business ethics and corporate performance. Most of the journals used for this research are from the past 5-10 years obtained from journal databases such as Ebsco Host, J-Stor, Sage, Taylor and Francis, Emerald Insight, Springer, and Wiley.

2.3 DEFINITION OF KEY CONCEPTS

2.3.1 Ethics

According to Mgaya (2016), the origin of the word ‘ethics’ is Greek ethos, meaning ‘character' so that an ethical person is one who has character. Plato and Aristotle stated that ethics is as ‘what we ought to do'. Thus it requires judgment and reasoning in decision making that raise questions regarding what is right, wrong, good or bad conduct, fair or just.

Msanze (2013) further explained and concluded that ethics can be defined as standards of morality that guide individuals and organization in following certain norms of conduct when dealing with each other. Ethics involves some hard features, like duties and rights (most of them legal), that are mandatory for all and soft components, like values, aspirations or best practices that are desirable but not compulsory and can vary from one organization to another. Ethics can be seen in two ways that are acceptable (ethical) practices and unacceptable (unethical) practices (Isidorsson, 2010). If by any means an organization suffers unethical business performance it has to do with how the code of conduct of a company is implemented.

This research adopts the definition given by Msanze (2013) as it states and addresses the key fundamental which involves following norms when dealing with each other in an organization set up. Thus ethics is of great importance in ensuring that business performs well indeed.

2.3.2 Business Ethics

Khomba *et al.* (2012) define business ethics as the study of the ethical dimensions of organizational economic activity on the systematic, organizational and intra-organizational levels. It focuses on what is good and right in a particular economic activity where an organization engages in moral analysis and assessment of such economic activities and practices. Khomba *et al.* (2012) further alluded that moral principles describe the impartial general rules of behavior that are of great importance to a society, along with the values the society represents. Moral principles are fundamental to ethics. Ethical behavior would be characterized by unselfish attributes that balance what is good for an organization with what is good for the stakeholders as well. Thus, business ethics would embrace all theoretical perspectives regarding the ethicality of competing for economic and social systems. According to Boahene (2015), there are dimensions associated with business ethics. These dimensions or elements are reliability, social responsibility, honesty, compliance and transparency.

2.3.2.1 Reliability

Reliability is the quality of being trustworthy. Board (2014) states that reliability includes providing clear, understandable and accurate information to customers within the frame of mutual trust in all their services and operations, and perform customer services timely and completely.

2.3.2.2 Social Responsibility

Social responsibility is the idea that an organization or individual is obligated to act to benefit society at large. In business it is also known as corporate social responsibility. According to Basuony, Elseidi and Mohamed (2014) corporate social responsibility generally refers to the strategies implemented by corporations to conduct their business in a way that is ethical, society friendly and beneficial to community in terms of development. When a business engages in social responsibility, it will be respecting the society and will implement this notion with the profit-making notion in mind. A responsible business does not only occur for profit maximization but also for the welfare of the general public. There are many kinds of social responsibility:

a) Economic responsibility which deals a business producing goods and services required by society.

b) Legal responsibility which deals with operating within the laws of the land.

c) Ethical responsibility which deals with respect of religious sentiments

d) Discretionary responsibility which involves doing a charitable contribution for a worthy cause (Sineriz, 2018).

2.3.2.3 Honesty

Honesty entails to a facet of moral character and connotes positive and virtuous attributes such as integrity, truthfulness and straightforwardness along with the absence of lying, bribe taking, concealing of information cheating and theft. According to Ogbari *et al.* (2016), the social aspect of being considerate and fair to others while at the same time realizing a profit is referred to as integrity. It also involves the keeping of promises and agreements. According to Ssonko (2010), the concept of integrity has to do with perceived consistency of actions, values, methods, measures, principles, expectations and outcome. When used as a virtue term, “integrity” refers to a quality of a person’s character. Some people see integrity as the quality of having a sense of honesty and truthfulness in regard to the motivations for one’s actions.

2.3.2.4 Compliance

Compliance is the state of being in accordance with established guidelines, specifications, and set of rules, service standards, laws and regulations which are put in place by a standards body, association or regulator of a particular industry. Business organizations in a particular industry have to conform to these stipulated rules and regulations to avoid cessation of operations due to non-compliance. For this research the regulators responsible for setting rules and regulations in the banking sector are the Reserve bank of Zimbabwe (RBZ) and Bankers Association of Zimbabwe (BAZ).

2.3.2.5 Transparency

Transparency is the unrestrained access by the public to important information on decisions and performance. Transparency involves keeping customers clearly, openly, understandably and frankly informed about their rights and obligations, and benefits and risks regarding the products and services offered to them; and before giving any product, service or advice, efficiently assess their customers and financial capacity, status and needs of their customers, and offer their products and services accordingly. Transparency has to do with accuracy in reporting coupled with adequate access to the reported information.

2.3.3 Corporate Performance

Corporate performance comprises of the actual results as measured against its intended outputs of the organization. In general, corporate performance "involves identifying outcomes that corporate wants to achieve, creating plans to achieve those outcomes and carrying out those plans and determining whether the outcomes were achieved. Agbim (2018) states that an organization is successful if it achieves its goals (effectiveness) using a minimum of resources. To depict performance financial measures such as profit is normally used although it does not reflect much on the quality of performance. According to Khademfar *et al*. (2013) despite these broad-based firm performance models, the consensus among researchers, scholars and practitioners, is that firms basically still rely heavily on financial measures such as profits, budgets, stock returns and accounting returns for measuring corporate performance. However, both financial and non-financial measurements are now being used to measure corporate performance. The combination of the two measures helps the owners or managers to gain a wider perspective on measuring and comparing their corporate performance. The financial measures such as profits, return on assets, and return on investment and sales, while the non-financial measures focus on issues pertaining to customer's satisfaction and customer's referral rates, delivery time, waiting for time and employee's turnover.

2.4 THEORETICAL REVIEW

Plato, Aristotle and Kant are some of the scholars who contributed to the philosophic ethics theories which influence the decision making of a man on what is right and wrong and what ought to be done. Generally there are three main philosophies of ethics have dominated discussions on ethics (Rossouw, 2010d: 57-69 cited by Khomba, 2012). These three theories are Aristotle's virtue theory, Kant's deontological theory, and John Stuart Mill's Utilitarian theory.

2.4.1 Aristotle's Virtue Theory

The word virtue comes from the Latin word *virtus* which means power or capacity. The word means that a person does things in according to his or her own capacity. The theory is based on the premise that different goals can only be achieved if people love themselves first. It is argued that self-love is a pre-condition for reaching one's full human potential of having a sense of well-being and joy. Thus, morality depends on the moral character of an individual (Khomba, 2012). Moral principles are discovered by reason and acquired through practice.

2.4.2 Kant's Deontology Theory

The word deontology derived from Greek work "deontos" which means "what must be done" and sometimes translated to "obligation" or "duty". The theory is hinged on the notion that there are objective ethical standards that everyone should respect. Moral actions cannot be based on individual practical experiences or natural instincts but rather on society expectations. This theory encourages individuals to carry out actions with a sense of duty. This theory ascertains the influence of employees' actions carried out with a sense of obligation on organization performance. Incorporation of deontology theory to this study helps explain that moral actions done by management and employees of the banks that collapsed should not be hinged on individual instincts but rather on what must be done in an organization based on given organizational conducts.

2.4.3 Principle of Utilitarianism

Utilitarianism theory states that; "Actions are right to the degree that they tend to promote the greatest good for the greatest number". This theory of utilitarianism gives clear overview and advocates for an individual to take actions which give or produce greatest good consequences to the greatest number of people, and that doing it can result in good performance (Mgaya, 2016).The incorporation of the principle of utilitarianism to this study proved to be essential as it helps to note the moral obligations to be taken by employees in the banking sector for the time period under review.

2.5 BUSINESS ETHICS AND PERFORMANCE

Several studies have been conducted on the effect of business ethics and performance of the banking sector.

Agbim (2018) studied the effect of ethical leadership on corporate governance, performance and social responsibility: a study of selected deposit money banks in Benue State, Nigeria. The study employed a survey research design and made use of questionnaires. The results of the study showed that ethical leadership has a positive impact on corporate governance, performance and social responsibility. Ogbo, Okechukwu and Ukpere (2017), researched a topic entitled business ethics as a tool for competitive advantage in the banking industry in Nigeria. They wanted to ascertain the level of unethical practices in taking place in the Nigerian Banking industry in recent times and the consequences associated with it. Data was collected from available literature on the issue and analyzed. The study showed that there are several unethical practices in the Nigerian banking industry. The recent developments in the industry confirmed this, especially with the removal of top executives in some banks owing to illegal granting of loans and the resultant crisis that followed. The study recommended that all stakeholders in the banking industry, namely the regulator, shareholders, sponsors/directors, top management and the government, should participate actively in ensuring that there is an ethical code in place in the banking industry in Nigeria. This study by Ogbo, Okechukwu and Ukpere, (2017) mainly emphasized the existence of unethical business practices in the banking sector and further elaborated on the effects of the unethical business practices for the Nigerian banking sector.

In another study, Kipruto (2014) determined the effect of CSR on financial performance of Kenyan commercial banks. Secondary data from 2009 to 2013 was obtained from the banks audited financial statements, publications, websites and annual reports. The study used a descriptive research design and data was analyzed using multiple regression analysis. The study revealed that CSR has a positive effect on financial performance of the commercial banks in Kenya. Similar conclusions were also made by Mburu (2014) who investigated CSR practices in the banking sector of Kenya using a case study of National Industrial Credit (NIC) Bank and Mbithi (2015) that assessed the effects of CSR on financial performance of listed banks in Kenya.

Tung'a (2014) assessed the relationship between compliance risk management and financial performance of banks in Kenya. The study adopted a descriptive survey design and utilized both secondary and primary sources of data. The study found that accountability and compliance positively impacts financial performance of the banks in Kenya. Similarly, Maina (2018) assessed the influence of regulatory compliance of commercial banks in Kenya and revealed that regulatory compliance plays a big role in determining high profits of the commercial banks.

Another study by Ebitu and Beredugo (2015) was conducted in Nigeria and it focused on investigating the relevance of code of ethics on guiding the performance in the banking sector and examined also their compliance level on the established code of ethics in Calabar Cross River State. The study adopted a descriptive research design while data was collected from 176 respondents cutting across selected banks. The outcome of the study was that effective performance in the banking industry depended on the code of ethics. It was also realized that the compliance level of the established code of ethics for the service industry was high. By so doing there was need to establish the importance of the code of ethics in the present study.

A study was carried out in Ghana by Boahene (2015) and it focused on business ethics in the banking industry. The objectives of the study were to identify and analyze the business ethics strategy practiced at the selected banks, determine the level at which business ethics affects the success of the selected banks, to identify the challenges of implementing business ethics in the operations of the bank and to infer ways by which business ethics principles can be adequately entrenched in banks in Ghana. Boahene (2015) also stated that a bank is said to have reputation honesty, integrity, social responsibility, accountability and compliance to promise when the ethics are complete. The scope of the study was some selected banks in the Kumasi metropolis. The survey questionnaire was designed using the literature and pilot survey input. Mean analysis was conducted to derive ethical factors for competitive advantage from the survey data. Two hundred workers from the various branches of the selected banks constituted the sample size for the research. Convenience sampling was used as the sampling technique. The research was analyzed using regression analysis and mean analysis were some of the statistical tools adopted for the research. It was found from the research that the bank's activities are guided by ethical principles though not in all aspects of the bank's activities. Regression analysis performed indicated that there exists a significant positive relationship between the business ethics practices at the various banks and the banks' ability to achieve its stated goals. The present study adopted honesty, compliance, transparency, social responsibility and reliability as the elements of business ethics since they explained what business ethics entails.

Komari *et al.* (2013) studied the effect of work ethics on work satisfaction and organizational commitment at the Sharia Bank. Data were collected from Sharia Bank in Indonesia whereby 78 employees responded to self-administered questionnaires and an in-depth interview were analyzed using Partial Least Squares (PLS). The findings showed that work ethics has a non- significant negative effect on work satisfaction while work ethics has a significant positive effect on organizational commitment. This study concluded that work ethics are very important for organizational commitment but that they cannot automatically create high job satisfaction. The study variables were focused more on workplace ethics and organizational commitment and less emphasis was placed on corporate performance.

Maqbool and Zameer (2018) examined the relationship between corporate social responsibility and financial performance in the Indian context. Secondary data was collected from 28 Indian commercial banks listed in Bombay stock exchange (BSE), for the period of 10 years (2007–16). The results of the study indicated that CSR exerts a positive impact on the financial performance of the Indian banks. The finding of this study provides great insights for management, to integrate the CSR with the strategic intent of the business, and renovate their business philosophy from traditional profit-oriented to socially responsible approach. This study included the use of financial performance as a measure of performance similar to this study. Also, its dependent variable CSR is an element of business ethics which is a variable under study in this research.

A different study was also conducted by Widana (2015) and it explored the impact of Islamic business ethics and relationship marketing orientation on business performance. The study focused on how Islamic business ethics can be a determinant of relationship marketing in business performance for Islamic banking. The study employed the measurements of Islamic business ethics implementation and relationship marketing orientation from the perspective of Islamic banking institutions and performance indicators. On measuring performance for a bank in Islamic banking, the conventional measures such as ROA, ROE and net profit are insufficient. There has to be compliance with the Islamic law (Shariah) principles. Results of the study showed that there is a positive relationship between ethics and relationship marketing because ethical principles constitute a precondition for creating the climate of collaboration necessary for successful relationship marketing.

A study was conducted by Ngoc (2018) and it examined the relationship between corporate social responsibility (CSR) disclosure and financial performance of banks in Vietnam over the period 2011 – 2016. By using content analysis to approach CSR related data as well as the ordinary least square (OLS) estimator to analyze data, the finding of this study indicated that there is a significant negative relationship between CSR disclosure and financial performance of commercial banks in Vietnam. This result might be explained by additional requirements of the law for social responsibility while banks are in a difficult situation as a result of economic slowdown during the researched period. Together with that, the perception of banks' customers toward banking corporate social responsibility of Vietnam also contributed to build up this negative linkage. The findings of this study are opposite to those found by Maqbool and Zameer (2018) that CSR has a positive impact on corporate performance. This has led this study to adopt corporate social responsibility as an element of business ethics to ascertain its impact on corporate performance in Zimbabwe.

A local study by Dzeka (2016) evaluated the effectiveness of CSR as a business strategy for competitive advantage amongst commercial banks in Zimbabwe. A qualitative approach was used and data was collected using in-depth interviews. Further to this, a multi case study approach for ten (10) banks was adopted and data was analyzed using content and cross case analysis. The study found that CSR is positively linked to competitive advantage which is also a benchmark of performance. Further, Chidziva (2016) conducted a study on the role of corporate governance in preventing bank failures in Zimbabwe. A multiple case study was followed and both primary and secondary data were collected using interviews and from annual reports. Samples of seven participants were purposefully selected from bank managers responsible for corporate governance. The study recommended the need for improvement on compliance with corporate governance policies and regulations within the banking sector of Zimbabwe. Thus, the present study has adopted compliance as one of the independent variables.

2.6 RESEARCH GAP

There are many studies that were undertaken by many researchers as shown in the literature above. These studies were undertaken mostly in Africa and it is of particular note that a few studies have been conducted in Zimbabwe. This study henceforth seeks to investigate whether there is an impact of business ethics on corporate performance in the Zimbabwe banking sector.

2.7 CONCEPTUAL FRAMEWORK

From the literature mobilised above, this study adopted the two variables, business ethics and corporate performance. Business ethics is the independent variable (IV) and it has 5 principles elements which are reliability, social responsibility, honesty, compliance and transparency. Corporate performance is the dependent variable (DV) and the elements used to measure performance would be return on assets, sales and market share and profit after tax. The effect of good business ethics is not obvious hence other moderating factors that include the extent of regulation and supervision by the central bank and unstable external economic and political environment. In this study, RBZ regulation and bank supervision and an unstable macroeconomic environment were adopted as moderating variables. Figure 1.1 shows the conceptual framework for the study.

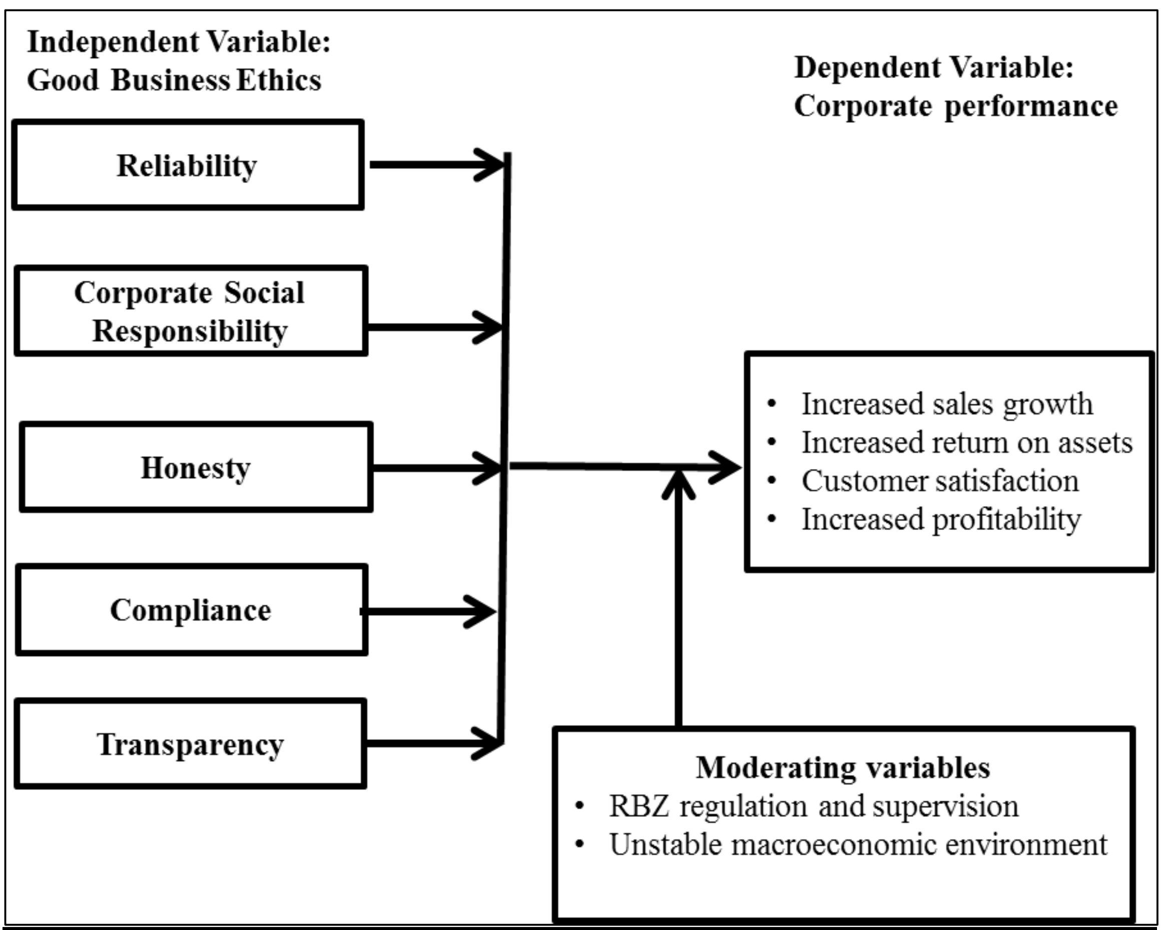

Figure 1.1: The Conceptual Framework

Source: Researcher (2019)

2.8 CHAPTER SUMMARY

This chapter focused on explaining the key variables which are business ethics and corporate performance respectively. Theories to do with business ethics were visited. Empirical research of the two variables was also visited. The research gap and conceptual framework were also derived from the literature. Chapter three which follows focuses on the methodology used to assess the impact of business ethics on corporate performance.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter has the description of research methods that the researcher used to collect data, processing and analyzing to reach the conclusion of the study. It discussed the research design and methodology utilized in this study. In order to describe the variety of research activities undertaken during this study, the data collection activities and associated analysis methods were systematically discussed.

3.2 RECAP OF RESEARCH AIM, MAIN STUDY OBJECTIVE, MAJOR QUESTION, HYPOTHESES

The main aim of the study is to establish the impact of business ethics on corporate performance in the banking sector of Zimbabwe.

3.2.1 Main objective

1) Ascertain the impact of business ethics on corporate performance in the banking sector of Zimbabwe.

3.2.2 Specific objectives

This study was guided by the following specific objectives.

a) To establish the impact of reliability measures on corporate performance in Zimbabwe banking sector.

b) To analyze the impact of social responsibility on corporate performance in Zimbabwe banking sector.

c) To examine the extent to which honesty has on corporate performance in Zimbabwe banking sector.

d) To investigate the impact of compliance on corporate performance in Zimbabwe banking sector.

e) To ascertain the impact of transparency on corporate performance in Zimbabwe banking sector.

3.2.3 Research Questions

3.2.3.1 Major Research Question

1) What is the impact of business ethics on corporate performance in Zimbabwe banking sector?

3.2.3.2 Specific Research Questions

a) What is the impact of reliability measures on corporate performance in Zimbabwe banking sector?

b) To what extent does social responsibility influence corporate performance in Zimbabwe banking sector?

c) How does honesty impact on corporate performance in Zimbabwe banking sector?

d) What is the impact of compliance on corporate performance in Zimbabwe banking sector?

e) How does transparency impact on corporate performance in Zimbabwe banking sector?

3.2.3.3 Research Hypotheses

H_1: Good business ethics positively affects corporate performance in Zimbabwe banking sector.

H_2: Reliability has a positive impact on corporate performance in Zimbabwe banking sector.

H_3: Social Responsibility has a positive impact on corporate performance in Zimbabwe banking sector.

H_4: Honesty has a positive impact on corporate performance in Zimbabwe banking sector.

H_5: Compliance has a positive impact on corporate performance in Zimbabwe banking sector.

H_6: Transparency has a positive impact on corporate performance in Zimbabwe banking sector.

3.3 RESEARCH DESIGN

This study focused on ascertaining the relationship between two variables which are business ethics and corporate performance in the Zimbabwean banking sector with close attention being given to two banks which are FBC bank and Metbank. By so doing an explanatory research design was adopted for this research study because under an explanatory research design one can ascertain the cause and effect of one variable on the other.

3.3.1 Research Philosophy

There are research philosophies which are pragmatism, positivism, realism or interpretivism. This research, in particular, followed a positivism philosophy since it is quantitative in nature due to the fact that the research is hinged on business ethics impacting on performance

3.3.2 Research Approach

There are two research approaches that are inductive and deductive. A deductive approach is positivist and suitable for quantitative studies where there are testing of hypotheses. An Inductive approach, on the other hand, is suitable for qualitative studies. Data is collected and theory is created from the data analysis. This study made use of a deductive approach making use of quantitative analysis since there was testing of a hypothesis H_1: Good business ethics positively affect corporate performance. According to Mallin and Ogbechie (2016), quantitative research depends on statistical data like the hypothesis, surveys, questionnaire and structured interviews to minimize bias. Kisely and Kendall (2011) explained that qualitative research depends on emerging data instead of data generated before the commencement of research because the objective of the research is to gain deep-rooted meaning of an occurrence in a particular setting.

3.3.3 Research Strategy

The research strategy for the topic under discussion made use of the survey. The survey made use of self-administered questionnaires. The study adopted quantitative methods to describe the phenomena under study. This was useful in identifying and obtaining information on the characteristics of the particular problem or issue that is the impact of business ethics on corporate performance.

3.4 METHODS OF DATA COLLECTION

The data collection tools for the study were questionnaires (See Appendix B) The researcher used self-administered questionnaires. A self-administered questionnaire is one that is going to be filled by the respondent independently. The questionnaire helped the respondents to answer objectively since they completed it without the influence of the interviewer. Questionnaires enabled the researcher to get a large number of standardized responses that could be compared.

3.5 RESEARCH INSTRUMENT

Each respondent was asked to respond to the same set of questions in a pre-determined order without an interviewer being present. According to Matthews and Ross (2010) questionnaire can be used to effectively gather data from a large number of people or cases in the same way for all respondents and data are easy to code for analysis. Therefore questionnaires with closed ended questions form were used to collect data from sampled respondents suitable for descriptive and explanatory research. The questionnaire was structured using a 5-point Likert Scale in the order of (5) Strongly agreed (4) Agree, (3) Neutral, (2) Disagree and (1) Strongly disagree.

3.5.1 Pilot Testing

In order to get accurate and proper data, a pilot test was undertaken before the actual spread of the questionnaire. The test assisted in the modification of the questionnaires to get accurate data. People that matter in getting the data were contacted to answer and inspect the designed questionnaire before the final draft was made.

3.6 POPULATION AND SAMPLING TECHNIQUES

The study targeted employees and managers of the selected banks (FBC bank and Metbank) operating in Harare Central Business District (CBD). Thus, the population size for the study was the total number of employees and managers from the two bank branches one from each bank. The study managed to obtain a population size of 205 employees and managers of various bank branches of targeted banks.

3.6.1 Sample sizes

A study sample refers to a subset of the population that the researcher relies on to gather relevant data (Saunders *et al.*, 2009). The sample size for the research was drawn from two banks out of the total population of the banking industry in Zimbabwe. The respondents were selected from different branches of the two banks as the sample size. Given a total population of 205 staff members, a representative sample size of 136 was used. Table 3.1 shows the sample frame for the study. The sample size for the study was derived using the Yamane's (1973) sample size determination shown in equation (1).

$$\mathrm{n} = \frac{N}{1 + Ne^2} \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots (1)$$

Where, N= population size, n= sample size, e= level of precision

Table 3.1: Sampling Frame

Target Bank	Population Size	Sample Size	Sample representation
FBC bank	110	73	66.4%
Metbank	95	63	66.3%

Total	**205**	**136**	**66.3%**

Source: Survey Data, 2019

3.6.2 Sampling Methods

The sampling technique the study adopted was the convenience sampling technique. It is a non- probability sampling technique in which subjects are selected because of the convenience of the researcher. The respondents were selected from the two banks branches in the Harare CBD area.

3.7 QUESTIONNAIRE ADMINISTRATION

The questionnaire with a well-designed introduction letter that explained the purpose and intended use of data and promised secrecy of respondent in reporting was administered personally to ensure a better response rate. A total of 136 questionnaires were administered to the two bank branches. The respondents were given two weeks to fill the questionnaires. The researcher also made vigorous follow -ups through phone calls and email to remind and motivate the respondents to fill the questionnaires.

3.8 DATA GATHERING, PROCESSING AND ANALYSIS

All the information collected through the information gathering process was transformed into variables and cases. These variables and cases were entered into the Scientific Package for Social Sciences (SPSS) version 23.0, as basic information. Input data in SPSS by importing spreadsheet, database or text file, or through the data file or by entering data directly in the Data Editor. The results were then presented and summarized in the form of tables, bar and pie charts and percentages. Descriptive statistics such as mean, mode and standard deviations were done. Inferential statistics were also used to analyze relationships. Multiple linear regression, ANOVA, Pearson Correlation, reliability tests and normality test such as Kolmogorov-Smimov test were conducted. Following empirical specifications of previous studies such as by Boahene (2015) the following regression model shown in equation (2) was used for analysis.

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon_i$……………………………..…………….. (2)

Where; Y = corporate performance of the firms; β_0= regression constant; β_1-β_5= regression coefficients; X_1 = Reliability; X_2= Social responsibility; X_3= Compliance; X_4= Transparency; X_5 = Honesty; ε = error term. Prior the multiple regression analysis, tests for regression assumptions such as normality was conducted.

3.9 RESEARCH LIMITATIONS

It was not possible to obtain data from all employees of the chosen banks. This was due to restrictions necessitated by the authorities based on the subject matter under discussion. The subject matter itself on business ethics is a sensitive issue indeed thus some respondents were not ready enough to cooperate.

3.10VALIDITY AND RELIABILITY

Validity refers to the degree to which a method, a test or a research tool actually measures what is supposed to measure while reliability entails the extent to which a test, a method or a tool gives consistent results across a range of settings even if used by a range of researchers. To ensure validity of the instrument, the researcher made use of the views and suggestions of the supervisor regarding the questionnaire and the researcher also ensured that all items included in the questionnaire covered all variables which were being measured. The reliability was determined through the test-retest reliability technique. To ensure this the researcher piloted the research instruments to 20 respondents who were selected from the two banks the instruments were re-administered. The Cronbach alpha (α) was used to test for reliability. The test was performed for all the items in the questionnaire and the rule of thumb was used. The rule of thumb states that a Cronbach index of more than 0.7 indicates data reliability.

3.11ETHICAL CONSIDERATIONS

The basic concepts of ethics were upheld seriously which are accountability, responsibility, liability and due process. This was undertaken by exercising confidentiality assurance.

Coupled to this there was privacy of participants, transparency and honesty. There was permission granted by the GSM to visit the banks and introduce as well as explain enough the purpose of study with confidentiality of the results.

3.12 CHAPTER SUMMARY

The chapter is a layout of the research methods that the researcher employed for the purpose of this study. This chapter defines the research design used as a descriptive research design. It also gave an insight into the research population, research sample and data collection methods. The research population is characterized by two commercial banks FBC bank and Metbank. Finally, data validation, presentation and analysis plan was well described in the chapter. This will be done before moving on to the next chapter which will diagrammatically present and analyze data from research findings.

CHAPTER FOUR

FINDINGS AND ANALYSIS

4.1 INTRODUCTION

The chapter presents the analysis of the findings obtained from the survey. The findings cover the demographic details of the respondents, the survey response rate and the analysis of the main findings per the research objectives based on descriptive statistics, correlation and multiple regression analysis. Descriptive analysis was done on the demographic profile of the respondents and their opinions on the impact of business ethics on corporate performance. Multiple regression and correlation analyses were also undertaken in testing the study hypotheses and determining the relationship between the independent variables and the dependent variable.

4.2 A DISCUSSION OF THE RESPONSE RATE

A total 136 questionnaires were self-administered to the selected banks and only 128 were collected back by the researcher however only 117 questionnaires were completed. This represents a successful response rate of 86.02%. This response rate was good for analysis as provided by Mugenda and Mugenda (2012) who posited that a survey response rate of at least 70% is adequate for generalizations of research findings. This high response rate is attributed to rigorous follow-ups that were made by the researcher and the fact that the researcher personally administered the survey questionnaires.

4.3 DESCRIPTIVE ANALYSIS

4.3.1 Demographic details of respondents

This section presents the respondents' demographic information which includes their gender, age distribution, educational qualifications, length of working experience in companies and the position of the respondents. The findings are presented in Figure 1 and Table 4.1

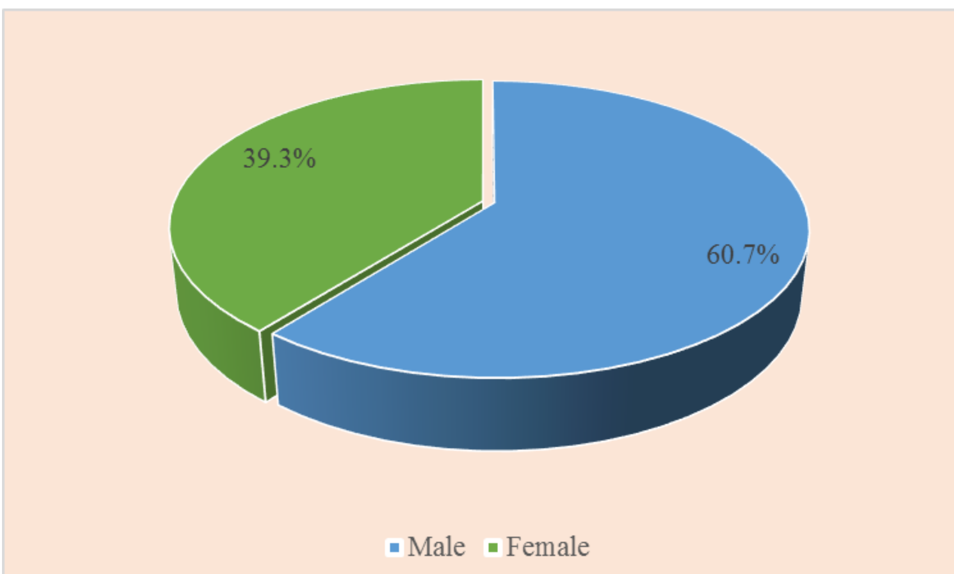

Figure 4.1: Gender distribution of respondents

Source: Survey Data, 2019

Figure 4.1 depicts the gender distribution of the respondents. The findings reveal that 71 of the respondents represent 60.7% were men whilst 46 (39.3%) were females. This indicates that the majority of the personnel in the banking industry are males whilst the minority is females. Even though the majorities are males, it was good for the study to have females participating to avoid the study findings being based solely on men. From the results both females and males were represented.

On demographic details, the findings in Table 4.1indicate that 52 (44.4%) of the respondents were aged between 18 to 30 years followed by 30 (25.6%) respondents who were in the 31 to 40 age bracket. Those with ages falling between the 41-50 category represented 21.4% of the sample population whilst only 10 (8.5%) were above 50 years. From these findings it means that the majority of the workforce in the banking industry is between 18 to 40 years. This means that young and more energetic individuals participated in the study and this made the cooperation between the researcher and the respondents easier and this also resulted in an excellent response rate. As also shown in Table 4.1, all age categories were represented.

With regards to educational qualifications it can be noted that 6% of the respondents have attained Diplomas. It was also ascertained that 86 of the respondents have attained bachelor's degrees followed by 17 respondents who had master's degrees. There were seven respondents who had qualifications outside the ones noted. These results indicate that the majority of the respondents had good educational qualifications such that they were able to understand the requirements of the study.

On marital status it can be noted that 45 (38.5%) of the respondents in the study are single. Married people who participated in the study constitute 41.9% of the total respondents. Divorced respondents who participated were 11 and the other respondents who participated widowed were 12. These results indicate the balance of the responses in relation to marital status, indicating that there was less sampling bias in the study. Responses from different respondents of different marital statuses were sought and this validated the findings of the study.

On work experience of the respondents, the study revealed that 25 (21.4%) and 57 (48.7%) indicated that they have worked for their banking institutions for less than a year and 1-5 years respectively. As shown by Table 4.1, 9.4%   of the respondents have worked in banks for 6-10 years. It is also shown that 24 respondents have worked for the banks for more than 10 years. The findings imply that most of the employees in the banking industry have a good experience and have stayed longer; hence they have adequate experiences on the practices of business ethics in the banks.

On department under which respondents work for in the banks, findings of the study as shown by Table 4.2 indicate that 18.8% of the respondents are from customer service department. Marketing and IT Operations departments had 11 and 20 respondents respectively who participated in the research. Finance department had most of the respondents at 36.8% of the response base. There were 21 respondents from other departments not stated. The findings imply that almost every department in the banking industry participated in the research study. This led to the conviction that a variety of relevant information on the practice of business ethics and their perceived influenced on performance were provided by the respondents from different departments.

On the position held by respondents, Table 4.2 shows that five respondents (4.3%) from senior management participated in the study. Middle and Junior Management had 11 and 28 respondents respectively. General employees amongst the respondents were 41 (35%).Other respondents from other departments were 32 (27.4%). From the information it shows that the researcher managed to collect information from various managerial levels, from the general staff and senior management, hence this validated the findings of the study.

Table 4.1: Demographic Information of respondents

Factor	Description	Respondents	
		Frequency	Percentage %
Age	18-30 years 31-40 years 41-50 years Above 50 years	52 30 25 10	44.4 25.6 21.4 8.5
Highest Education Attained	Diploma Bachelor's degree Masters degree Other	7 86 17 7	6.0 73.5 14.5 6.0
Marital Status	Single Married Divorced Other	45 49 11 12	38.5 41.9 9.4 10.3
Work experience in the bank	Less than 1 year 1-5 years 6-10 years Above 10 years	25 57 11 24	21. 4 48.7 9.4 20.5
Department	Customer service Marketing IT and Operations Finance Other	22 11 20 43 21	18.8 9.4 17.1 36.8 17.9
Position Held	Senior Management Middle Management Junior Management General employee Other	5 11 28 41 32	4.3 9.4 23.9 35.0 27.4

Source: Survey Data, 2019

4.3 MAIN FINDINGS OF THE STUDY

This study inquired the opinions of the respondents on the impact of business ethics on corporate performance in the Zimbabwe banking sector. Thus, the respondents were required to indicate their level of agreement with the statements associated with the practice of business ethics using the five point Likert scale. Furthermore, the mean scores and standard deviation were presented and analyzed. The mean statistics are based on the Likert scale used in the survey questionnaire where a mean score of less than 2 means strongly disagree, between 2.0 and 2.9 means disagree, 3.0 to 3.9 means neutral, 4.0 to 4.9 means agree and mean score above 4.9 means strongly agree.

4.3.1 Findings of the practice of business ethics in banks

The study aimed at harnessing the opinion of respondents on the practice of business ethics in their respective banks. The results of the study are presented in Table 4.2.

From the findings on Table 4.2, 74.4% of the respondents strongly agreed whilst 18.8% agreed that the bank they work for has a written code of ethics. Only 1.7% disagreed and strongly disagreed with the statement. With a mean score of 4.62 of the results of the findings, it can therefore be concluded that banks have written code of ethics.

The research respondents were also requested to indicate whether the banks have a set of values. The results are depicted in Table 4.2. As shown in the findings, 65.8% strongly agreed, 25.6 % agreed and 6.8% were neutral. Only one respondent disagreed with the statement and two other respondents strongly disagreed. With a mean score of 4.53 it implies that the respondents agreed that the banks have set of values.

The respondents were also requested to indicate whether the banks had procedures to report unethical behavior. From Table 4.2 it can be shown that majority of the respondents (70.1%) strongly agreed to the statement. 17.1 % agreed to the statement whilst only 12.1% were neutral. No respondent disagreed with the statement. With a mean of 4.57 it suffices to say that in the banks there are reporting procedures for reporting unethical behavior.

The study respondents were also requested to indicate if their manager would set a good example of ethical business behavior. 44.4% strongly agreed to the statement whilst 38.5% agreed. 6% disagreed with the statement. With a mean of 4.18, it implies that managers in the banking industry are good examples of ethical business behavior.

Table 4.2: Responses on the Practice of Business Ethics

		SD	D	N	A	SA	Mean	Std Dev.
	F	2	2	4	22	87		

Our bank has a written code of ethics	%	1.7	1.7	3.4	18.8	74.4	4.62	0.785
Our bank has a set of values.	F	2	1	7	30	77	4.53	0.794
	%	1.7	.9	6.0	25.6	65.8		
Our bank has procedures for reporting unethical behavior	F	-	-	15	20	82	4.57	0.711
	%	-	-	12.8	17.1	70.1		
The manager sets a good example of ethical business behavior.	F	2	7	11	45	52	4.18	0.952
	%	1.7	6.0	9.4	38.5	44.4		
The manager explains to staff and colleagues the importance of honesty and ethics in the work we do.	F	1	-	11	54	51	4.32	0.715
	%	.9	-	9.4	46.2	43.6		
My organization disciplines employees who violate my organization's ethical standards.	F	5	-	11	36	65	4.380	0.828
	%	4.3	-	9.4	30.8	55.6		
My organization acts responsibly in all its business dealings (with customers, clients and suppliers).	F	-	7	13	38	59	4.27	0.887
	%	-	6.0	11.1	32.5	50.4		
Ethical issues of 'right and wrong' are discussed in staff meetings.	F	3	9	13	45	47	4.06	1.028
	%	2.6	7.7	11.1	38.5	40.2		
Our bank requires ethics training	F	6	19	26	38	28	3.54	1.171
	%	5.1	16.2	22.2	32.5	23.9		
	F	5	6	27	48	31	3.80	1.171

Our bank has a department that deals with ethics	%	4.3	5.1	23.1	41.0	26.5		
Our bank has a facility to get advice on ethics.	F	5	7	36	31	38	3.77	1.102
	%	4.3	6.0	30.8	26.5	32.5		

Source: Survey Data 2019

Furthermore the respondents were asked to indicate if their manager explains to staff and colleagues the importance of honesty at work. As shown by Table 4.2, 43.6% and 46.5% strongly agreed and agreed respectively. Only 9.4 % were neutral to the statement. With a mean of 4.32 it implies that managers are explaining about honesty to employees in banks on the importance of honesty. The study furthermore asked the respondents if their organizations discipline employees who violated organizational ethical standards. 55.6% strongly agreed to the statement whilst 30.8% agreed to the statement. Only 4.3 % strongly disagreed with the statement. With a mean of 4.38 and the findings from Table 4.2, it can be noted that banks have disciplinary measures to employees who violate organisational ethical standards.

In addition, the respondents to the study reported that their organizations acted responsibly in all business dealings with customers, clients and suppliers with a mean of 4.27 as shown by Table 4.2. Noteworthy proportions strongly agreed and agreed to the statement with 50.4% and 32.5% strongly agreed and agreed respectively. Only 6% disagreed with the statement.

In the same vein, the respondents were asked to state whether ethical issues of “right or wrong” are discussed in staff meetings. The findings in Table 4.2 show that 40.2 % strongly agreed whilst 38.5 % agreed to the statement. The findings also showed that 7.7% disagreed with the statement. However with a mean of 4.06 it then implies that ethical issues are truly discussed in staff meetings.

As shown in Table 4.2, the participants were asked whether their banks required ethics training. 32.5% of the participants agreed to the statement of having ethics training, with 23. 9 % strongly agreed. Surprisingly 22.2% were neutral of the statement whether to have ethics training or not. However with a mean 3.54 it can be ascertained that more ethical training is required in the banking sector

Moreover from the findings in Table 4.2, it can be ascertained that banks require a department that deal with ethics. 41% agreed, with 26.5% strongly agreeing with the statement. With a mean of 3.8 it shows that there is need to have a department that deals with ethics. Also findings from Table 4.2 show that a facility to get advice on ethics is very necessary due to a mean of 3.77.

4.3.2 Finding on the dimensions of the practice business ethics: Reliability

The study aimed to find out the respondents' views regarding reliability. The results of the study are presented in Table 4.3.

Table 4.3: Responses on Reliability

Statement		**SD**	**D**	**N**	**A**	**SA**	**Mean**	**Std Dev**
Our bank protects customer account information	F	-	9	5	24	79	4.48	.896
	%	-	7.7	4.3	20.5	67.5		
Our bank focuses more on offering business to the customers	F	-	-	17	43	57	4.34	.721
	%	-	-	14.5	36.8	48.7		
Our bank provides clear information to customers.	F	3	4	20	53	37	4.00	.928
	%	2.6	3.4	17.1	45.3	31.6		
Our bank provides accurate information to customers	F	-	6	15	54	42	4.13	.826
	%	-	5.1	12.8	46.2	35.9		
Our bank provides customer services in time	F	-	-	30	47	40	4.09	.772
	%	-	-	25.6	40.2	34.2		

Source: Survey Data 2019

From the findings, 67.5% strongly agreed to the statement that the bank protects customer information. 23.5% agreed with the statement. Only 7.7% disagree with the statement. The respondents achieved a mean score of 4.48 implying that there is reliability in banking sector since there is protection of customer account information.

Furthermore, the respondents were asked if the bank focused more on offering business to customers. As shown in Table 4.3, 48.7% strongly agreed, 36.8% agreed whilst the other respondents were neutral (14.5 %).Given a mean score of 4.34, it can be deduced that banks are offering more business to customers hence are exercising reliability.

In addition the participants were asked for their opinion on the view that banks are providing clear information to customers. Majority of the participants agreed (45.3%) with the statement whilst 31.6 % strongly agreed. As shown in Table 4.3, only 3.4% disagreed with the statement. With a mean score of 4, it can thus be concluded that banks are providing clear information to customers reflecting reliability

As shown in Table 4.3, the respondents were asked whether banks provided accurate information to customers. As indicated, 35.9% strongly agreed and 46.2 % agreed with the statement. However 5.1% disagreed with the statement. This achieved a mean 4.13 concluding that banks provide accurate information.

The study also sought to find out whether banks provide customer service in time. As shown in Table 4.3, 40.2 % agreed, 34.2% strongly agreed whereas 25.6% were neutral. This achieved a mean value of 4.09, henceforth the study concludes that banks provide customer service in time showing reliability.

4.3.3 Findings on Social Responsibility

The study aimed and harnessing the opinion of respondents on social responsibility in their corresponding organizations and the results are presented in Table 4.4.

The respondents to the study were inquired whether there banks took part in social welfare activities. From Table 4.4 results show that 35% and 50.4% agreed and strongly agreed respectively. Only 6% disagreed, thus with a mean of 4.3, the researcher concluded that banks take part in social welfare activities.

Additionally, the respondents were asked whether banks kept specific policies on community welfare. Majority of the respondents agreed and strongly agreed 34.2 % and 41.9% respectively. From the results in Table 4.4, the researcher concluded that banks have policies for community welfare based on the mean of 4.09.

Banks were said to be allocating funds for charitable causes due to results in Table 4.4 which show that as 50.4% agree to the statement and 32.5% strongly agreed. There were 9.4% of the respondents that disagreed, however with a mean of 4.06, it can be concluded that banks take part in charitable causes in the banking sector.

Table 4.4: Responses on Social Responsibility

Statement		**SD**	**D**	**N**	**A**	**SA**	**Mean**	**Std Dev**
The bank takes part in social welfare activities	F		7	10	41	59	4.30	.864
	%		6.0	8.5	35.0	50.4		
Our bank maintains a specific policy on community welfare	F		10	18	40	49	4.09	.956
	%		8.5	15.4	34.2	41.9		
Our bank allocates funds for charitable causes	F		11	9	59	38	4.06	.884
	%		9.4	7.7	50.4	32.5		
The bank conducts business in a way that is beneficial to the community	F		2	20	50	45	4.18	.773
	%		1.7	17.1	42.7	38.5		
Our bank is highly supportive of anti-pollution legislation	F	4	24	17	35	37	3.66	1.219
	%	3.4	20.5	14.5	29.9	31.6		

Source: Survey Data 2019

The study sought to find whether banks conducted business in ways that benefit the community.42.7%, 38.5% agreed and strongly agreed respectively to the statement. 17.1 % were neutral whilst 1.7 % disagreed. This achieved a mean value of 4.18. Therefore the study concludes that the business conducted by banks in the banking sector benefit the community.

Lastly, concerning social responsibility, the respondents were asked if their banks were supportive of anti-pollution legislation. Surprisingly 20.5% disagreed with the statement as shown in Table 4.4. 3.4% strongly disagreed with the statement also. Contrary, 29.9 % agreed whilst 31.6% strongly agreed. There results achieved a mean value of 3.66 leading to a conclusion that banks are supportive of anti-pollution legislation.

4.3.4 Findings on Honesty

The study pursued the opinion of respondents on honesty in the banking sector as a dimension of business ethics. The results were presented in Table 4.5.

Table 4.5: Responses on Honesty

Statement		**SD**	**D**	**N**	**A**	**SA**	**Mean**	**Std. Dev**
The bank executives do not conceal facts.	F		11	19	43	44	4.03	.960
	%		9.4	16.2	36.8	37.6		
The bank executives do not take a bribe	F	2		14	45	56	4.31	.814
	%	1.7		12.0	38.5	47.9		
Our bank executives report properly.	F		9	12	37	59	4.25	.928
	%		7.7	10.3	31.6	50.4		
Our bank complies with bank RBZ's guidelines.	F	1	2	7	33	74	4.51	.761
	%	.9	1.7	6.0	28.2	63.2		
Our bank encourages customers to conduct legal transactions only.	F	5	2	6	34	70	4.38	.981
	%	4.3	1.7	5.1	29.1	59.8		
	F		7	12	31	67	4.35	.894

Our bank executives maintain authorized relationships with customers	%		6.0	10.3	26.5	57.3		

Source: Survey Data 2019

From Table 4.5, the majority (37.9%) strongly agreed to the statement that banks executives do not conceal facts whilst 36.8% agreed and 16.2 were neutral. Respondents who disagreed were 9.4%. A mean value of 4.03 was achieved. These findings show that the bank executives do not conceal facts.

The respondents were asked for their opinions on the statement bank executives do not take a bribe and 47.9 % strongly agreed, 38.5 % agreed and 12% were neutral as shown by table 4.5. Only two respondents strongly disagreed. This achieved a mean value of 4.31. These findings imply that the bank executives do not take bribes.

The study sought to find whether banks report properly. Majority (50.4%) strongly agreed to the statement, 31.6% agreed and 10.3 were neutral. 7.7% disagreed with the statement. These findings together with a mean value of 4.25 imply that banks report properly.

Furthermore, the study inquired the respondents to indicate if banks comply with RBZ's guidelines. From Table 4.5, majority of the respondents (63.2%) strongly agreed to the statement, 28.2% agreed whilst 6.0% were neutral. One respondent strongly disagreed with the statement and two others disagreed. These findings achieved a mean of 4.51 implying that banks are following the RBZ guidelines.

The respondents were also asked if banks encouraged the customers to conduct legal transactions and 59.8 % strongly agreed, 29.1% agreed and 5.1 % were neutral to the statement as shown in Table 4.5. 4.3% of the respondents strongly disagreed with the statement together with 1.7% who disagreed. These findings achieved a mean value of 4.38 and it suffices to say that banks encourage customers to conduct legal transactions with banks.

Lastly on honesty, the respondents were asked whether the bank executives maintained authorized relationship with customers. 57.3 %, 26.5% and 10.3% strongly agreed, agreed and were neutral respectively. Only 6% of the respondents were in disagreement with the statement. These results together with a mean value of 4.35; it can be concluded that bank executives maintain authorized relationships with customers.

4.3.5 Findings on Compliance

The study pursued the opinion of respondents on compliance in the banking sector as a dimension of business ethics. The results were presented in Table 4.6.

Table 4.6: Responses on Compliance

Statement		SD	D	N	A	SA	Mean	Std. Dev
Our bank maintains compliance of the service standards as promised.	F	1	6	2	35	73	4.48	.837
	%	.9	5.1	1.7	29.9	62.4		
Our bank maintains compliance in charges as promised	F	2	4	9	54	48	4.21	.859
	%	1.7	3.4	7.7	46.2	41.0		
Our bank maintains compliance as it promotes its products and services.	F	2	2	8	49	55	4.74	4.665
	%	1.7	1.7	6.8	41.9	47.0		
Our bank maintains compliance with rules as promised	F	2	7	9	48	51	4.19	.937
	%	1.7	6.0	7.7	41.0	43.6		
Our bank maintains compliance with regulations	F		2	2	53	60	4.46	.623
	%		1.7	1.7	45.3	51.3		

Source: Survey Data 2019

The research participants were asked for their opinion whether their banks maintained compliance of the service standards as promised. Results from Table 4.6 show that the majority of the respondents (62.4%) strongly agreed whilst, 29.9% agreed and 1.7% was neutral. Results also show that 5.1% disagreed with the statement with only 1 respondent who strongly disagreed. These results achieved a mean value of 4.48. These results imply that banks maintain compliance of service standards as promised.

The study also inquired respondents if their banks maintained compliance with charges on transactions in the banking sector. Majority of the respondents (46.2%) agreed with the statement whilst 41% strongly agreed. As shown in Table 4.6, 7.7% were neutral to the statement. 3.4% of the respondents disagreed and also only 2 of the respondents strongly disagreed. Given a mean of 4.21 the findings entail that banks are compliant with charges as promised.

From Table 4.6, findings majority of the respondents (47%) strongly agreed with the statement that banks maintain compliance as it promotes its products and services whilst 41.9% agreed and 6.8% were neutral. Only 1.7% of the respondents both disagreed and strongly disagreed and a mean was of 4.74 was achieved. These findings indicate that banks maintain compliance in order to promote their products and services.

A varied response was attained when the respondents were asked if the bank maintained with rules as promised. From Table 4.6, 43.6%, 41 % strongly agreed and agreed respectively whilst 7.7% were neutral. 1.7% of the respondents strongly disagreed with 6% disagreed also. These findings achieved a mean of 4.19 and ultimately it implies that banks comply with rules as promised.

Lastly under compliance the respondents were asked for their opinion on whether the banks maintained compliance with regulations in the banking sector. As shown in Table 4.6, majority of the respondents (51.3%) strongly agreed to the statement whilst 45.3 % agreed. 1.7 % were neutral and 1.7% also disagreed. The results achieved a mean of 4.46 and it implies that banks maintain compliance with regulations in the banking sector.

4.3.6 Findings on Transparency

The study pursued the opinion of respondents on transparency in the banking sector as a dimension of business ethics. The results were presented in Table 4.7.

Table 4.7: Findings on Transparency

Statement		**SD**	**D**	**N**	**A**	**SA**	**Mean**	**Std. Dev.**
The bank executives approve true financial statements	F		4	20	46	47	4.16	.830
	%		3.4	17.1	39.3	40.2		
There is accurate reporting on banking affairs to the stakeholders and beneficiaries	F	1		11	62	43	4.25	.694
	%	.9		9.4	53.0	36.8		
There is free access by the public to timely information on decisions and performance of the bank	F		6	19	53	39	4.07	.838
	%		5.1	16.2	45.3	33.3		
There is openness in order to enhance public confidence in the bank.	F	2		25	55	35	4.03	.819
	%	1.7		21.4	47.0	29.9		

Financial information is easily accessible by stakeholders and other users.	F		8	15	48	46	4.13	.886
	%		6.8	12.8	41.0	39.3		

Source: Survey Data 2019

The respondents were asked for their opinion whether bank executives approved true financial statements. Results from Table 4.7 show that 40.2% of the respondents strongly agreed, 39.3% agreed with the statement whilst 17.1% were neutral. Only 3.4% disagreed and a mean of 4.16 was obtained. These results imply that bank executives approve true financial statements.

Additionally the respondents were asked for their opinion if there was accurate reporting on banking affairs to stakeholders and beneficiaries. As shown in Table 4.7, majority (53%) of the respondents strongly agreed to the statement, 36.8% strongly agreed and 9.4% were neutral. One respondent strongly disagreed, however a mean of 4.25 was achieved. These results show that there is true reporting on bank affairs to stakeholders in the banking sector.

As shown in Table 4.7, the research participants were inquired whether there is free access by the public to timely information on decisions and performance of the bank. Majority agreed and strongly agreed with the statement, 45.3% and 33.3% respectively. 16.2 % were neutral to the statement. Only 5.1% disagreed with the statement. A mean of 4.07 was achieved and it shows that there is free access by the public to information on decisions and performance in the banking sector.

Furthermore the study inquired whether there is openness in order to enhance public confidence of the bank. As shown in Table 4.7, 47% and 29.9% were agreed and strongly disagreed respectively and 21.4% were neutral. Only 2 respondents strongly disagreed with the statement. However a mean value of 4.03 was achieved imply that there is openness which enhances public confidence in banks.

Lastly under transparency, the respondents were asked for their opinion regarding the accessibility of financial information by stakeholders and other users. As depicted in Table 4.7, 39.3 % strongly agreed and 41 % agreed. The results also show that 6.8% disagreed and 12.8% were neutral with the statement. With a mean value of 4.13, it was concluded that financial information is easily accessible by stakeholders.

4.3.7 Findings on Corporate Performance

The study pursed the opinions of the respondents with regards to performance measures in their banks. The results were shown in Table 4.8.

As shown in Table 4.8, 49.6% agreed to the statement that the banks performance in achieving its goals is good whilst 41% strongly agreed whilst 8.5% were neutral. One respondent disagreed. With a mean of 4.31 the findings indicate that the banks' performance is good.

Table 4.8: Responses on Performance

Statement		D	N	A	SA	Mean	Std. Dev
My bank's performance in achieving its goals is good	F	1	10	58	48	4.31	.663
	%	.9	8.5	49.6	41.0		
My bank's growth (sales related) is increasing	F	2	15	46	54	4.30	.757
	%	1.7	12.8	39.3	46.2		
My bank's return on assets is increasing	F	4	11	53	49	4.26	.767
	%	3.4	9.4	45.3	41.9		
My bank's success in attracting customers is of high quality.	F	5	15	52	44	4.14	.860
	%	4.3	12.8	44.4	37.6		
	F	2	15	53	47	4.24	.739

Bank's net profit margins are increasing	%	1.7	12.8	45.3	40.2		

Source: Survey Data 2019

Majority of the respondents (46.2%) strongly agreed to the statement that the banks growth is increasing. As show in Table 4.8, 39.3% agreed to the statement and 12.8% were neutral. A mean value of 4.3 was obtained and the researcher concluded that there is growth in the banking sector that is sales related.

Additionally, respondents were asked for their opinion whether return on assets is increasing and 45.3% of the respondents agreed. As shown in Table 4.8, 41.9% strongly agreed to the statement and 3.4% disagreed. A mean of 4.26 was achieved and led to the conclusion that return on assets as a measure of performance has been increasing in the banking sector.

Majority of the respondents (44.4%) agreed with the statement that the banks success in attracting customers is of high quality whilst 37.6% strongly agreed. As shown in Table 4.8 12.8% were neutral and 4.3% disagreed. A mean value of 4.14 was obtained and this implies that banks are attracting customers of high quality in the banking sector.

Lastly on performance the respondents were asked if net profit margins are increasing. Majority (45.3%) agreed to the statement whist 40.2% strongly agreed.12.8% of the respondents were neutral and only two respondents disagreed. However, a mean of 4.24 was realized by these results and can conclude that net profit margins have been increasing in the banking sector.

4.4 TESTING FOR RELIABILITY

The reliability was determined through the test-retest reliability technique and to ensure this, the researcher piloted the research instruments to 20 respondents who were selected from the two banks the instruments were re-administered. The respondents were not part of the sample for the final study. The Cronbach alpha (α) was used to test for reliability. The test was performed for all the items in the questionnaire and the rule of thumb was used.

The rule of thumb states that a Cronbach index of more than 0.7 indicates data reliability. Table 4.9 shows the variable and its items and associated Cronbach values. The results from Table 4.9 indicate that the results were reliable as all the variables have a Cronbach Alpha value that exceeds the recommended threshold of 0.70.

Table 4.9: Cronbach's Alpha Reliability Test Results

Variable	**Items**	**Cronbach 's Alpha Coefficient**
Practice of Business Ethics	11	0.936
Reliability	5	0.905
Social Responsibility	5	0.907
Honesty	6	0.928
Compliance	5	0.968
Transparency	5	0.936
Corporate Performance	5	0.954

Source: Survey Data 2019

4.5 NORMALITY TESTS

The normality test was done before the regression was carried out. To test the data for normality of residuals the Kolmogorov-Smirnov test was applied. In theory, residuals for data are confirmed to be normally distributed when the p-value of the Kolmogorov-Smirnov test is above 0.05. The results of the Kolmogorov-Smirnov test are presented in Table 4.10. The findings reveal a Kolmogorov-Smirnov statistic of 0.342 and a p-value of (0.057). Since the p-value is above the 5% level threshold it can be concluded that the residuals of the data exhibited a normal distribution.

1Table 4.10: Tests of Normality

	Kolmogorov-Smirnov[a]	Shapiro-Wilk

	Statistic	Df	Sig.	Statistic	Df	Sig.
Corporate Performance	.342	117	.057	.761	117	.037
a. Lilliefors Significance Correction						

Source: Survey Data, 2019

4.6 REGRESSION ANALYSIS

The study sought to ascertain the impact of business ethics on corporate performance in the Zimbabwe banking sector. Multiple regression analysis was conducted. Reliability, social responsibility, honesty, compliance and transparency were the independent variables whilst corporate performance was the dependent variable. The multiple regression model was estimated and the results are shown in Table 4.10. Basing on the significance level of 0.05, an independent variable having a p-value less than 0.05 is considered to be statistically significant. Given the findings in Table 4.11, honesty, compliance and transparency were found to be statistically significant whereas reliability and social responsibility were statistically insignificant because of a p-value greater than 0.05. Standardized coefficients were used so as to establish which dimension of business ethics has greater influence on corporate performance.

Table 4.11: Multiple regression results

Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.374	.335		4.101	.000
Reliability	-.067	.096	-.064	-.696	.488
Social Responsibility	-.064	.076	-.070	-.839	.403

Honest	.372	.086	.393	4.342	.000
Compliance	.145	.037	.278	3.863	.000
Transparency	.281	.053	.396	5.320	.000

Source Survey Data 2019

According to results in Table 4.11, when all the elements of business ethics are assumed to be zero, corporate performance would be 1.374.The findings in Table 4.11 a positive standardized coefficient value for honesty of 0.393 which is statistically significant at 5% level of significance ($p=0.000<0.05$). This indicates that honesty can predict corporate performance such that if honesty increases so does corporate performance in terms profit after tax. These results are in tandem with the results found by Boahene (2015). Good business ethics positively affect corporate performance in FBC bank and Metropolitan Bank. The study therefore fails to reject the hypothesis and conclude that honesty have a positive impact on corporate performance in the banking industry of Zimbabwe.

Compliance was found to have a positive impact on corporate performance in the banking industry with a standardized coefficient of 0.278 and a $p= 0.00$ which was statistically significant at 5%.These findings depict that as compliance increases by a certain magnitude, so does corporate performance by 28% in terms of profit after tax. These results are of the similar nature as found by Ebitu *et al.* (2015) on the relevance of code of ethics and compliance levels. Boahene (2015) and Tung'a (2014) also found the positive relationship between compliance and corporate performance of banks in Ghana and Kenya respectively. The study therefore fails to reject the hypothesis and conclude that compliance positively affect corporate performance in FBC bank and Metropolitan Bank.

There is a positive and statistical relationship between corporate performance and transparency. There is a positive standardized coefficient of 0.396 for transparency as shown in Table 4.11. This means if transparency increases there would be approximately 40% increase change in corporate performance in the banking industry. Contrary, Boahene (2015) found that transparency dimension had negative beta meaning negative relationship between transparency and corporate performance. The study therefore fails to reject the hypothesis and conclude that transparency positively influences corporate performance in the banking industry of Zimbabwe.

However, reliability was found to have a negative impact on corporate performance for the banks in the sector with a standardized beta value of -0.064 and a p=0.488>0.05 meaning it is statistically insignificant. Similarly, Boahene (2015) found that the reliability dimension of business ethic was statistically insignificant to corporate performance.

Furthermore the results from Table 4.11 show that coefficient for social responsibility is statistically insignificant in influencing corporate performance in the Zimbabwean banking industry since its standardized coefficient and p value are -0.070 and p=0.403 respectively. The findings are supported by Maliki (2014) and Dzeka (2016) who posited that Zimbabwean banking institutions lag behind on social corporate investments. These results are in disagreement with results studies done by Kipruto (2014), Dzeka (2016), Ngoc (2018)and Maqbool and Zameer (2018) have found that CSR exerts a significant impact on the financial performance of Kenyan, Zimbabwean, Vietnam and Indian banks respectively.

As shown in Table 4.12, the R-squared has a value of 0.510 which means that 51% of the variations in corporate performance are explained by the independent variables. These results show that the independent variables of business ethics influence corporate performance regardless of the remaining 49% which is explained by other factors excluded in the study.

Table 4.12: Model Summary

Model	R	R-Square	Adjusted R-Square	Std. Error of the Estimate
1	.714[a]	.510	.488	.421
a. Predictors: (Constant), Transparency, Compliance, Social Responsibility, Honesty, Reliability				

Source: Survey Data 2019

Results in Table 4.13 present the analysis of variance. At the F-value of 23.076 at p-value 0.000, the results demonstrate the relationship between variables is significant. The model for the study is statistically significant because the p-value of 0.000 was achieved and it is less than the 5% level of significance. Hence it is an appropriate prediction model for explaining the relationship between business ethics and corporate performance in the banking industry in Zimbabwe.

Table 4.13: Analysis of Variance (ANOVA)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	20.495	5	4.099	23.076	.000[b]
Residual	19.717	111	.178		
Total	40.212	116			

b. Predictors: (Constant), Transparency, Compliance, Social Responsibility, Honesty, Reliability

Source: Survey Data 2019

4.4.2 Correlation Analysis

The study sought to find the relationship between variables by running the Pearson Correlation test. Table 4.14 shows the correlation between the dependent variable and the independent variables. Reliability had a positive and moderate significant relationship (r=0.356) with corporate performance. Social responsibility had a positive and weak relationship (r=0.297) with corporate performance. There was a strong positive and significant relationship (r=0.53) between honesty and corporate performance. Compliance (r=0.485) depicted a positive and moderate relationship but significant relationship with corporate performance. Lastly, transparency had a strong and positive relationship (r=0.531) with corporate that was significant at 0.01 level of significance. Therefore, the study may fail to reject the hypotheses and conclude that reliability, social responsibility, honesty, compliance and transparency are significantly related to corporate performance.

2Table 4.14: Correlation analysis

Variable	**Corporate Performance**	
	Pearson Correlation Coefficient (r)	Sig
Reliability	.356**	.000
Social Responsibility	.297**	.001
Honesty	.530**	.000
Compliance	.485**	.000
Transparency	.531**	.000

**Correlation is significant at the 0.05 level (2 tailed).

Source: Survey Data 2019

4.4.3 Testing for Multicollinearity

Multicollinearity is the state of high intercorrelations and interassociations among the independent variables. The study used the Variance Inflation Factor (VIF) to test for multicollinearity among the independent variables. The results for the VIF test are shown Table 4.15. The results report that all the independent variables have VIF values of not more than 10 and the tolerance values are not less than 0.1 implying that there are no serious problems of multicollinearity in the independent variable used in this study.

Table 4.15: Multicollinearity

Variable	Collinearity Statistics	
	Tolerance	VIF
Reliability	.521	1.918

Social Responsibility	.634	1.578
Honesty	.540	1.852
Compliance	.852	1.174
Transparency	.795	1.257

Source: Survey Data 2019

4.5 CHAPTER SUMMARY

This chapter has presented, analyzed and discussed the findings of the study. The findings have been presented in form of tables and charts. Both descriptive and inferential statistics have been presented. Multi-collinearity and normality tests were undertaken. The regression and correlation analyses indicated that the independent variables significantly predict corporate performance of firms in the Medical and Allied industry except for reliability and social responsibility. The succeeding chapter provides the summary of findings, conclusion and the recommendations.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

This final chapter provides the summary of findings presented in the preceding chapter and also draws some conclusions and recommendations for the study. The first section provides the achievement of the research objectives followed by the validation of the research hypothesis. The conclusions are provided per each objective of the study followed by answer to the research questions. The contribution of the study to theory, empirical and methodological will be provided. The recommendations of the research will be provided basically on the policy and managerial level. The generalisation of findings, limitations of the study and areas of further study also forms the last part of the chapter.

5.2 ACHIEVEMENT OF RESEARCH AIM AND OBJECTIVES

The main aim of the research was to ascertain the impact of business ethics on corporate performance in the Zimbabwe banking sector. This study was guided by the following specific objectives.

a) To establish the impact of reliability measures on the corporate performance in the Zimbabwe banking sector.

b) To analyze the impact of social responsibility on corporate performance in the Zimbabwe banking sector.

c) To examine the extent to which honesty has on corporate performance in the Zimbabwe banking sector.

d) To investigate the impact of compliance on corporate performance in the Zimbabwe banking sector.

e) To ascertain the impact of transparency on corporate performance in the Zimbabwe banking sector.

The research objectives were achieved by gathering literature from various sources on the impact of business ethics on corporate performance. Literature was also reviewed on each objective to establish the view of other authors and their findings on the area understudy. A conceptual framework was formulated to support the research hypotheses of the study that there is a positive relationship between reliability, social responsibility, honesty, compliance, transparency and corporate performance. A survey was carried out in the banking sector and structured questionnaires were used. Descriptive and inferential statistics was used to analyze data, particularly the significance tests and the correlations. The findings were made in relation to the research objectives. Conclusions were made on each objective as shown in section 5.3

5.3 CONCLUSION

The following conclusions were made:

5.3.1 Impact of reliability measures on corporate performance

The study concluded that there is a negative and insignificant relationship between reliability and corporate performance. Reliability measures were found to be a weak predictor of corporate performance hence the hypothesis that H_2 Reliability has a positive impact on corporate performance in the Zimbabwe banking sector was rejected.

5.3.2 Impact of social responsibility on corporate performance

The research concluded that there is a negative and insignificant relationship between social responsibility and corporate performance. Although social responsibility is being carried out in the banking industry, results of the study conclude that social responsibility has a negative and insignificant influence on corporate performance. The hypothesis that H_3: Social Responsibility has a positive impact on corporate performance in the Zimbabwe banking sector was rejected.

5.3.3 Impact of honesty on corporate performance

The study concluded that honesty is a vital component of business ethics that influences corporate performance. The study established that there is a positive and significant relationship between honesty and corporate performance. It contributes significantly to corporate performance.

5.3.4 Impact of compliance on corporate performance

The study concluded that compliance is an important variable of business ethics and it influences corporate performance. Banks are exercising compliancy with set rules and regulations in the banking sector henceforth a positive and significant relationship between compliance and corporate performance was established.

5.3.5 Impact of transparency on corporate performance

The study established that transparency is an essential component of business ethics and it influences corporate performance. Banks are implementing transparency in their day to day business. The research concluded that transparency positively and significantly influences corporate performance in the banking sector.

5.4 ANSWER TO RESEARCH QUESTIONS

The findings that were gathered from the regression analysis correlation analysis and model coefficients helped to answer the research questions of the study. The impact of each independent variable on corporate performance was determined by the significance and the strength of the correlation with the dependent variable. The major research question of the study was what is the impact of business ethics on corporate performance in the Zimbabwe banking sector? Specific research questions were as follows:

a) What is the impact of reliability measures on the corporate performance in the Zimbabwe banking sector?

b) To what extent does social responsibility influence corporate performance in Zimbabwe banking sector?

c) How does honesty impact on corporate performance in the Zimbabwe banking sector?

d) What is the impact of compliance on corporate performance in the Zimbabwe banking sector?

e) How does transparency impact on corporate performance in the Zimbabwe banking sector?

To answer these research questions, the research findings on Beta values note that transparency (Beta=0.396) had the highest positive predictive power on performance followed by honesty (Beta=0.393), followed by compliance (Beta=0.278). Contrary, reliability and social responsibility were found to have negative predictive impact of performance with Beta values of (Beta=-0.64) and (Beta=-0.70) respectively.

5.5 CONTRIBUTION

5.5.1 Theoretical contribution

The research contributes to the theories that hinge on business ethics and corporate performance. Reliability, social responsibility, honesty, compliance and transparency were the independent variables of the study. The study established that out of the five variables, the Beta values show that transparency (Beta=0.396) had the highest positive predictive impact on corporate performance followed by honesty (Beta=0.393), followed by compliance (Beta=0.278). On the other hand, reliability and social responsibility, Beta values (Beta=-0.64) and (-0.70) respectively, had low negative predictive impact on corporate performance. Thus reliability and social responsibility were removed from the initial conceptual framework and a new conceptual framework was adopted.

The initial model was:

$$\mathbf{Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon_i} \quad \ldots\ldots(3)$$

Where; Y = corporate performance of the firms; β_0= regression constant; β_1-β_5= regression coefficients; X_1 = Reliability; X_2= Social responsibility; X_3= Compliance; X_4= Transparency; X_5 = Honesty; ε = error term.

The New model states that:

$$\mathbf{Y=1.374+0.278X_3+0.396X_4+0.393X_5+\varepsilon_i} \quad \ldots\ldots(4)$$

5.5.2 Methodological contribution

This study made use of survey technique and it is of a quantitative nature. Other research methods can be employed by the study such as focus groups so as to harness research data. Qualitative methods can also be employed in future since this study made use of quantitative methods.

5.5.3 Empirical contribution

The research study aimed at providing both academic and practical contributions to the existing body of literature on the impact of business ethics on corporate performance in Zimbabwe. On the academic side, the study contributed fundamental literature to the often neglected research area of business ethics in the banking industry. The study also seeks to provide empirical evidence to substantiate other researches that were conducted especially in the developed countries.

5.6 POLICY RECOMMENDATIONS

The policy formulation can affect the factors of the organization both internally and externally. Policy formulated by the government must exhibit ethical practices. The government must ensure that their fiscal and the monetary policies are hinged on business ethics principles.

5.7 MANAGERIAL RECOMMENDATIONS

Training on ethics related issues

From the results of the study, a high number of respondents agreed to the need of having ethics training in their banks. Since a positive impact of business ethics on corporate performance has been established, there is need for management to train its staff as to increase their competence with regards to ethics issues because it tends to have positive effect on corporate performance. Having seminars and persons responsible for ethics issues in departments can be positive step in facilitating the issues to do with business ethics in the banks.

Research

The research study recommends management to research more into the elements of business ethics such as transparency and honesty since these have a positive impact on corporate performance. There has to be improvement in these elements as this will ensure a further increase in performance of banks.

Compliance Self-assessment

Management has to embark on self-assessment initiative consistently so as to check if they are in line with the governing body regulations in the banking sector. This would enhance the compliance component of business ethics and later positively affect the performance of the bank.

Overall, other stakeholders in the banking sector particularly the RBZ and BAZ dealing with banking institutions should play a pivotal role in making sure that lucrative initiatives are put in place for banks to improve on business ethics practices. The study has proven that business ethics positively impacts corporate performance henceforth banks and regulatory authorities have to take a critically focus on business ethics practice from management to subordinates.

5.8 GENERALISATION OF FINDINGS

The research was limited to the study of business ethics in the Zimbabwe banking sector. Due to time and financial constraints the researcher was constrained from studying more banks outside Harare. Assumptions for this study are that the findings be used as a benchmark in the banking sector. Since the sample size is small to generalise for Zimbabwe at large hence forth other researches having larger sample sizes in the banking sector have to be undertaken.

5.9 RESEARCH LIMITATIONS

The study could not have come without limitations; however the researcher managed to address the limitations. Firstly the managements of the selected banks were reluctant to allow permission to conduct the study with their employees however; the researcher provided the permission letter from the University of Zimbabwe, Graduate Business School and also assured them that all data was for academic purposes. Secondly, after being granted permission from the management, respondents were also reluctant to give true information in fear that the responsible management might reprimand them. Nevertheless, the researcher clearly explained the purpose of the study and guaranteed the respondents that information collected will remain confidential and they remain anonymous through the study.

5.10 AREAS OF FURTHER RESEARCH

The study could not be exhaustive and this brought out areas of further research. The study can also be undertaken in a different geographical setting as the current study covered Harare Central business district only. Therefore, further studies should make use of other banks in other provinces. A quantitative research design was used for the study. It will be worthwhile to carry out the similar study using mixed methods which uses both quantitative and qualitative paradigms. It would also be interesting if the study could be made into a comparative study involving different sectors or industries. The study was predominantly based on primary data sources. There is need for further studies to be done making use of secondary data so as to have a true reflection of the effect of business ethics on performance using real-world evidence.

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APPENDICES

APPENDIX A: COVER LETTER FOR ENTRY INTO AN ORGANISATION

GRADUATE SCHOOL OF MANAGEMENT

UNIVERSITY OF ZIMBABWE

TREP Building
Mt Pleasant
Harare, Zimbabwe

Email: info.uzgsm@gmail.com
Tel: 263-0242- 333521/2

3rd June 2019

TO WHOM IT MAY CONCERN

Dear Sir/Madam

RE: ACADEMIC RESEARCH LETTER FOR MR TAKUDZWA CHIMUKUCHE (R108675P)

This letter serves to confirm that Mr Chimukuche is a bona fide Master of Business Administration (MBA) student at the Graduate School of Management (GSM), University of Zimbabwe (UZ). He is carrying out a research in partial fulfillment of the requirements of the MBA degree programme.

We kindly request you to provide him with the information he needs to complete his research. Please note that only aggregated data will be used in the final analysis. Please also note that the Graduate School of Management upholds high levels of confidentiality and ethical standards in conducting research, and therefore, the information that you provide will be used for academic purposes only and will not be disclosed to third parties.

Yours faithfully.

GRADUATE SCHOOL
OF MANAGEMENT
UNIVERSITY OF ZIM...

DR W. P. MKUMBUZI
DIRECTOR, GRADUATE SCHOOL OF MANAGEMENT
/bm

APPENDIX B: SURVEY QUESTIONNAIRE

UNIVERSITY OF ZIMBABWE

GRADUATE SCHOOL OF MANAGEMENT

QUESTIONNAIRE

RESEARCH TOPIC: AN INVESTIGATION INTO THE IMPACT OF BUSINESS ETHICS ON CORPORATE PERFORMANCE IN THE ZIMBABWE BANKING SECTOR.

Dear Respondent

My name is Takudzwa Vine Chimukuche, an MBA final year student at the Graduate School of Management at the University of Zimbabwe. The researcher is currently carrying out research on the impact of business ethics on corporate performance in the Zimbabwe banking sector.

In partial fulfillment of the requirement for the Master in Business Administration Degree, research has to be submitted to the Graduate School of Management of the University of Zimbabwe. The study will contribute to the body of knowledge that already exists in the banking industry and recommendations made will assist management, staff, and government to improve on business ethics.

I would be very grateful if you would spare some time to answer this questionnaire so that I get your views on business ethics. In case of any questions, please, do not hesitate to contact me.

I thank you in advance for your cooperation and your valuable time.

Contact information:

Takudzwa Vine Chimukuche

E-mail: vinebilliat@gmail.com

This questionnaire is to solicit information to aid the researcher in getting data to measure how ethics can ensure business success. Your opinion as a professional is highly valued and important to our understanding of ethics in the workplace. Strict confidentiality and anonymity will be maintained in the research. Kindly indicate your response by ticking in the appropriate box, representing the most appropriate answer. Thank you for participating!

PART A: Demography and Background Information

Gender		Male ☐	Female ☐
Age		**Highest education attained**	
18-30 years	☐	Diploma	☐
31-40 years	☐	Bachelor's Degree	☐
41-50 years	☐	Master's Degree	☐
Above 50 years	☐	Other (Specify)……………………………………..	☐
Marital Status		**Years of working experience in the bank**	
Single	☐	Less than 1 year	☐
Married	☐	1-5 years	☐

Divorced		6-10 years	
Other		Above 10 years	
Department		**Position Held**	
Customer Service		Senior Management	
Marketing		Middle Management	
IT and Operations		Junior Management	
Finance		General Employee	
Other (specify)………..…………….		Other (specify)………………………...	

PART B: Practice of Business Ethics Indicate how these statements apply to your bank. (Select one response)

Below are statements about business ethics in your organization, where you are required to indicate the extent to which you agree or disagree to each of the following statements, by ticking the box with the number that corresponds to your answer from the given choice set:

Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
1	**2**	**3**	**4**	**5**

PART C: Dimensions of the practice of business ethics

Instructions: please respond to the following statements by ticking in the box that with the number that corresponds to your answer from the given choice set:

	Practice of Business Ethics	1	2	3	4	5
1	Our bank has a written code of ethics.					
2	Our bank has a set of values.					
3	Our bank has procedures for reporting unethical behavior.					
4	The manager sets a good example of ethical business behavior.					
5	The manager explains to staff and colleagues the importance of honesty and ethics in the work we do.					
6	My organization disciplines employees who violate my organization’s ethical standards.					
7	My organization acts responsibly in all its business dealings (with customers, clients and suppliers).					
8	Ethical issues of ‘right and wrong’ are discussed in staff meetings.					
9	Our bank requires ethics training.					
10	Our bank has a department that deals with ethics.					
11	Our bank has a facility to get advice on ethics.					

Reliability		**1**	**2**	**3**	**4**	**5**
12	Our bank protects customer account information.					
13	Our bank focuses more on offering business to the customers					
14	Our bank provides clear information to customers.					
15	Our bank provides accurate information to customers.					
16	Our bank provides customer services in time.					
Social Responsibility		**1**	**2**	**3**	**4**	**5**
17	The bank takes part in social welfare activities.					
18	Our bank maintains a specific policy on community welfare.					
19	Our bank allocates funds for charitable causes.					
20	The bank conducts business in a way that is beneficial to the community					
21	Our bank is highly supportive of anti-pollution legislation.					
Honesty		**1**	**2**	**3**	**4**	**5**

22	The bank executives do not conceal facts.					
23	The bank executives do not take a bribe.					
24	Our bank executives report properly.					
25	Our bank complies with bank RBZ's guidelines.					
26	Our bank encourages customers to conduct legal transactions only.					
27	Our bank executives maintain authorized relationships with customers.					

THE END

Compliance		**1**	**2**	**3**	**4**	**5**
28	Our bank maintains compliance of the service standards as promised.					
29	Our bank maintains compliance in charges as promised					
30	Our bank maintains compliance as it promotes its products and services.					
31	Our bank maintains compliance with rules as promised.					
32	Our bank maintains compliance with regulations					
Transparency		**1**	**2**	**3**	**4**	**5**
33	The bank executives approve true financial statements					
34	There is accurate reporting on banking affairs to the stakeholders and beneficiaries.					

35	There is free access by the public to timely information on decisions and performance of the bank					
36	There is openness in order to enhance public confidence in the bank.					
37	Financial information is easily accessible by stakeholders and other users.					
Performance measures		**1**	**2**	**3**	**4**	**5**
38	My bank's performance in achieving its goals is good.					
39	My bank's growth (sales related) is increasing.					
40	My bank's return on assets is increasing.					
41	My bank's success in attracting customers is of high quality.					
42	Our net profit margins are increasing.					

THANK YOU FOR YOUR TIME!!!!