AN INVESTIGATION ON THE CAUSES OF COMMERCIAL BANK FAILURES IN ZIMBABWE (2003-2004) A CASE STUDY OF TRUST BANK

BY

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ABSTRACT

The study sought to investigate on the causes of commercial bank failures in Zimbabwe. The main objectives of the study was to show how malpractices in this sector have undermined bank's financial status in Zimbabwe and to establish the role of board members in ensuring ethical conduct and to recommend the proper procedures that should be followed to reduce the occurrence of commercial bank failures when using multicurrency., To establish the importance of good governance in commercial banks, This study also attempt to show that while mismanagement predominates, there are various other factors to be considered. The study adopted the case study research design, where questionnaire, interviews and documentary analysis were used as data gathering instruments on a sample of twenty one (30) employees selected, a non-probability sampling technique was used (judgmental sampling technique). The researcher used qualitative methods of collecting data. Data was presented using tables and graphs. The major findings of the study were, there is still a need to improve asset and liability management practices and bank capital functions to achieve maximum bank soundness.