

## **An Analysis of Managerial Skills on Banking Sector Performance in Zimbabwe (2010-2019)**

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### **Abstract**

This study analyses the relationship between managerial skills and performance of commercial banks in Zimbabwe and managerial skill characteristics namely the level of education, years of experience and gender composition. The study also examined the substitution possibilities between a manager's level of education and years of experience in relation to bank performance. The hypotheses of the study were that a positive relationship exists between managerial skill characteristics and return asset and that there are substitution possibilities between years of experience and education level. Using a fixed effect model to analyze the relation between managerial skills and profitability among banks listed on the Zimbabwe stock exchange and the key findings of the study was that there exist substitution possibilities between managers' level of education and years of experience in relation to bank performance. The results encourage banks in Zimbabwe to monitor and evaluate these factors for improvement to enable the sustainability of banks and industry for economic growth. The banking sector was recommended to invest in analysis of gender composition on performance as part of corporate governance issues. The study also suggested further research into a comparative study on the effects of managerial skills on all financial institutions to improve operational performance. The overall performance of non-banking financial institutions may be focused in future in order to improve the profitability of the financial sector as a whole.