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The Impact of Bank Ownership Structure on Bank Growth A Case of Tanzanian Commercial Banks

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Abstract
We investigate the impact of bank ownership structure on growth of Tanzanian commercial banks following the financial sector reforms that led to existence of mixed bank ownership structure. We address the following research question: ***To what extent does bank ownership structure affect the growth of the Tanzanian commercial banks***? To answer this question we administer structured questionnaires to bank officials of 32 commercial banks. We also use six years panel data of 32 sampled banks between year 2006 to 2011. We use T-Test to understand the relationship between bank ownership structure and bank growth indicators as measured by qualitative variables and regression analysis of quantitative data. We found no significant relationship between bank ownership structure and bank's ability to extend services to remote areas, increased amount of staff increase in market share and increased number of customers. We also find a positive significant relationship between bank ownership structure and bank growth of banks in terms of increased customer deposits, total assets, customer loans and advances. We also found other factors that influence bank growth other than bank ownership structure that are not explained by the linear regression models. We found customer deposits is influenced by increased customers' knowledge on the importance of using bank services, increased bank brands that attract more customers, business growth and increased the number of investors in the country. Bank total assets are influenced by the size of the banks and government decision to transfer its deposits to commercial banks as well as banks strategic shift to grow their balance sheets. Number of staff is explained by the growth of banks networks and branches as well as increased competitions among many competing banks in the country.
Keywords: Tanzania Banking Sector, Bank ownership structure, Bank Growth

1. Introductions

The financial sector industry of Tanzania has been growing fast during the last decade. The growth is the result of many policies undertaken by the government through financial sector reforms, which started in the late eighties. The financial sector of Tanzania prior to the reforms was not so different from other developing countries especially in Africa. One of the common characteristic of the financial sectors in Africa, which also dominated Tanzanian sector, was the monopoly of the financial sector by the government, which owned the financial institutions, privatized banks and restricted new entry from the private sector. Banks was essentially a form of quasi government financing for state owned enterprises (SOE's). Like in other countries, such as Madagascar prior to the reforms (Stiglitz, 1994) Tanzania had economic policies that were inhibiting economic growth, such as control over interest rates and use of variety lending directives. Following major recommendation by IMF Tanzania decided to reform the financial sector The reforms included the enactment of banking and institutions, privatization of banks, liberalization of bank ownership, licensing of new banks and financial institutions and enactment of bank supervisions and regulations. All these reforms aimed at improving the performance and competitiveness of banks for enhancing economic development of Tanzanian economy. The objectives and benefits of the financial sector reforms undertaken by Tanzania do not differ so much with those objectives and benefits which other countries in the world have experienced as identified by Bonaccorsi & Handy (2005) study.

Tanzania Banking Sector

The banking sector in Tanzania started during the era of colonialism, characterized by domination of commercial banks. Kimei (1987) reports that during the of Germany rule there were only two commercial banks in Tanzania, one in Dar-es-salaam (Ostrifikanshe Bank) which started in 1905 and Handel bank of Ostafrica established in 1911. During the British era, after the first world war in the 1950's, three commercial banks were established namely National Bank, Standard Bank and Barclays Bank which later were followed by other foreign banks such as the India bank and Bank of Baroda in 1954 and thereafter in the 1960's more foreign banks such as the National Bank of Pakistan and the Ottoman Bank.

According to Abacha (1995), Tanzania nationalized all private banks in 1967 as the result of socialist policy which changed the private ownership of banks to state ownership. The banks that were there at that time included the central bank and three commercial banks, all of them owned by the state. These banks were not subject to competition and lacked adequate supervision. The banking system during this time was subject to financial repression, geared towards the provision of cheap credit to central government, state enterprises and cooperatives. The bank of Tanzania acted as the lender of first resort. In this period, banks made large losses due

to poor management, inadequate supervisions, auditing and legal protection for both debtors and creditors. Following the reforms on ownership of Banks and liberation of bank entry, Tanzania witnessed a many banks coming to Tanzania. The banking sector of Tanzania is largely private owned by local and foreign investors. Between the years 2005- 2011 the banking sector indicates growth in terms of increased number of banks and more bank branches By the end of year 2011 the banking sector comprised of thirty two banks (32) (**Table 1**) majority being private banks from foreign and three banks local banks which have mixed ownership (Private/Government/Public)

2. Statement of the Problem

The Nyirabu Report (1988) recommended the financial sector reforms in Tanzania that included the reforms of the commercial banks in order to diversify ownership and strengthen competition in commercial banking. Prior to the reforms, the banking sector was dominated by state owned banks. Banks were also concentrated to major cities only hence denying majority of Tanzanian population with bank services. State owned banks inhibited competition in the country leading to high borrowing interest rates, low lending activities. The financial sector reforms in Tanzania therefore aimed at reversing the situation hence providing better banking services to bank customers. According to McKinnon & Shaw (1973) it was found that financial sector reforms on bank ownership increased financial depth, bank growth and investments while Aghion et al (1999) study found that reforms on bank ownership encouraged sound banking practices, instilled confidence in banks and attracted deposits from customers. Other scholars that argue about the importance and benefits of the reforms include Demirguc – Kunt and Macksimovic (1999) who argue that financial sector reforms can help in reducing the pressure on banks of accommodating less credit borrowers. Sunil and Bisheng (2007) argues about the importance of the reforms in encouraging savings mobilization and allocation of funds. Study by Yona and Inanga (2011) on banking ownership structure and service quality in Tanzania show a significant relationship between ownership structure and service quality of commercial banks. There are also studies that reveal negative impact of financial sector reforms such as the one by Chandavakar (1992) who argue about less benefit due to limitations in innovations in financial market and limited competitiveness inspite of the reform efforts and Stiglitz (1994) who argues about the negative impact of the reforms due to information imperfection on market failure In Tanzania various reforms on the financial sector reforms included the reforms on banking ownership which led to entry of majority of local and foreign private banks. Despite of the benefits expected from financial sector reforms in the bank ownership structure few, if any Studies in Tanzania have investigated the influence of ownership structure on the growth of the commercial banks .Therefore the study is expected to provide an answer to the following research question "***To what extent does bank ownership structure affect the growth of the Tanzanian commercial banks? "***

3. Literature Review

Bank ownership Structure

There are many justifications given for the need of existence of public sector banks. The *development view* (often identified with Gerscherkron, 1962) that stresses the need for public intervention in economies where the scarcity of capital, the general distrust of the public, and endemic fraudulent practices among debtors may fail to generate the sizable financial sector required to facilitate economic development (Stiglitz, 1994) while the political view do not support these arguments as it contends that politicians create and maintain state owned banks not to channel funds to socially efficient uses but rather as a political tool aimed at maximizing the politicians' personal objectives (La Porta et al, 2002). Khawaja and Mian (2004) study on lending behavior of Italian and Pakistani banks found that state owned banks lending were given at lower interest rates with a bias towards poorer areas, compared to private banks, and that some lending were politically motivated. This is also confirmed by Dinc (2005) study, using evidence from 36 countries, showed that government banks lend more, relative to private banks, in election years. Cole (2006) study in India demonstrated that government-owned banks in India were subject to substantial government capture, lending more in election years, and targeting these loans to close constituencies. Burgess and Pande (2005) study the Indian government s requirement that all banks (public and private) open branches in rural areas, which increased the number of rural branches from 105 to 29,109 over a 13-year period. The expansion was driven by a policy rule, and generated trend breaks in financial development, which is used to identify the effects on poverty. According to Uddin & Suzuki (2011) before the financial reforms in Bangladesh banks were predominantly state owned commercial banks that performed functions on the basis of the direction given by the state government and their prime job was to patronize state owned enterprises.

On the other side of bank ownership structure there is a number of arguments supported by various scholars on private ownership of banks .Study by Advianova et al (2002) gives negative connotation on state ownership of banks as it leads to public mistrust that leads to savers keep their trust outside the banking system. Thierno (2005) study on impact of changing ownership structure on bank efficiency in Asian countries during

the post Asian crisis period 1999-2004 concluded that banks with minority domestic private ownership and foreign ownership perform better than state owned banks though Alejandro (2004) study concluded that the effect of ownership of bank performance depends on the nature of country itself.

In context of this study, the discussion of the relationship between bank ownership and bank growth is important. It is first important to understand what bank growth means and how it links with the kind of bank ownership. Growth of banks is measured as the ability of the bank to extend credits, undertake deposits, ability to increase capacity of services to different areas and its ability to generate revenues as well as capacity to aquire assets of different kinds over a given period of time.. Barth et al. (2002) argue that greater state ownership of banks tends to be associated with more non-performing loans but they find that, after controlling for bank regulation, government ownership of banks is not robustly linked with other indicators of bank development and performance Micco and Panizza (2004) studied whether bank ownership affect credit growth during different parts of the business cycle. They found that, in developing countries credit extended by public banks is less pro cyclical than credit extended by private banks and that the smoothing effect of public banks is particularly strong in periods characterized by a slow growth of domestic deposits and when credit grows less than total demand deposit.

Bank Growth

Bank growth covers many dimensions. Arai and Yoshina (2006) study reveal that the growth of banks is measured in terms of size while size is measured by the customer base, the level of deposits, the size of assets, revenue generation, number of branches, level of lending and number of employees and concentration of the bank in specific urban or rural areas. Sushil & Singh (2006) commented about credit deposit ratio as an indicator of management performance and bank growth. In the same study on Indian banks showed that the overall credit deposit ratio grew from 63% in 1980 to 73% in 2007 as the result of financial reforms although foreign banks had higher rates than the public sector banks. Sushil & Singh (2006) also used the ratio of term loans to assets to measure growth of the banks. Prior to financial sector reforms in Tanzania, banks used to provide services only in major cities only as they were small. In my view, the shift of banks from providing services only to major cities and start providing services to rural areas or areas beyond urban areas is a sign that the banking sector is growing, as it is capable of offering services to the majority of the public. Increased number of customers and deposits in a bank also indicate that a bank is growing. Other measurable indicators could be qualitative variables such as the bank's ability to employ more staff and managing the operational costs efficiently.

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4. Conceptual Framework

The conceptual framework of this study is based on the relationship between bank ownership structure and growth of commercial banks. The study considers bank ownership structure to be the independent variable and growth as the dependent variable of the study

Independent Variable

Bakker et al (2013) study found that foreign ownership was associated with higher credit growth. As far as lending activities are concerned Cull and Peria Study (2012) found that lending activities of foreign banks performed less than those of private banks. In their study Andrianova et al (2009) view that state banks could foster growth if they are managed with sound and transparency practices even though lending of state owned banks are often politically motivated (Dinc,2005). Based on these arguments the hypotheses are stated hereunder:

H1: Bank ownership structure is positively related to bank growth in Tanzania

This Hypothesis has other five minor hypotheses stated here under

H: 1a: There is a relationship between bank ownership structure and bank service extension to remote areas

H: 1b: There is a relationship between bank ownership structure and banks having increased number of customers.

H: 1c: There is a relationship between bank ownership structure and bank increased market share.
H: 1d: There is a relationship between bank ownership structure and bank increased number of staff
H: 1e: There is a relationship between bank ownership structure and bank deposit growth
H: 1f: There is a relationship between bank ownership structure and increased bank customer loans
H: 1g: There is a relationship between bank ownership structure and increased banks total assets

We also test hypothesis two with the objectives of understanding if there is any significant differences between the growth of semi-quasi banks and private banks. The hypothesis is stated hereunder:

Ho: 2: Bank growth is not significantly different among semi-quasi banks and Private Banks

Dependent Variable

Measuring bank growth may involve the use of various quantitative indicators. In view of Arai and Yoshina (2006), size is the measure of bank growth, because the size of the banks indicates the growth, which the bank achieves over a territory area of operation in a country. Other indicators of measure bank growth to include the level of customer base, level of deposits, Size of assets, revenue generation, number of branches, level of lending, level of deposits, and number of employees and concentration of the bank in specific urban or rural areas. Sushil and Singh (2006) study supported the use of a variety of financial ratios to measure bank growth. These ratios included the ratio of term loans to assets and credit deposit ratio as an indicator of bank growth and management performance. In this study, we adopt qualitative indicators as well as quantitative indicators to measure the growth of the banks. Qualitative indicators could be qualitative variables such the ability of the bank to extend its services to remote areas, increased number of customers, the bank's ability to employ more staff and manage operational costs efficiently. Qualitative indicators include banks extension of services to remote areas, increase in customer's numbers, market share, level of employment and capacity to manage cost efficiently. Quantitative factors (Panel Data) will include banks total Assets, level of lending, customer's deposits, number of employees, market share to be the indicators of growth of the commercial banks

Table 2: Definitions of Dependent Variables (Bank Growth)

Variable	Description	Measurement Indicators
GROW	Growth	Quantitative Variables: Size of Assets, revenue generation, number of branches, customer base, level of lending, level of deposits, number of employees, market share
		Qualitative Variables: (1) Ability of the bank to extend its services to remote areas, (2) Bank increased number of customers, (3) Bank's ability to employ more staff and (4) Managing the operational costs efficiently

Source: Researcher 2015

5. Research Methodology

The research adopted both qualitative and quantitative study method to collect and analyze data in order to establish the relationship between reforms in bank ownership and growth of commercial banks in Tanzania. We collected primary data by administering research questionnaires to bank officials of thirty two Tanzanian commercial banks (**Table 1)** that were registered by BOT at the end of year 2011. The research questionnaires used in this study was based on 5 Likert scores requiring customers and bank officials to rank their responses as 1= strongly disagree, 2= disagree, 3= Neutral, 4= Agree and 5=Strongly Agree. Bank officials were picked by using purposefully simple sampling method from four regions in Tanzania namely Mwanza, Arusha, Kilimanjaro and Dar-es-salaam. We also obtained secondary data from the banks data set of the selected commercial banks for the period of year 2006 to year 2011 and calculated indicators of bank growth commercial banks in Tanzania

Data Reliability

Data reliability was measured by using the cronbach Alpha. Where cronbach Alpha > .6 we assume that the questionnaires used by the study were reliable to measure the impact of corporate governance on growth and profitability of the commercial banks. The construct variables were five questionnaires, ability of the bank to extend its services to remote areas(Q17) ,increased number of customers(Q18) increased visibility (Q19) Increased number of staff (Q20) and -Q22) and the result obtained **(Table 3)** from reliability tests (P= 0.873) which is greater than 0.5 hence conclude that the variables questionnaires were valid measuring indicators the growth of the commercial banks

Table 3.Reliability Scores of Growth

	Bank Officials Perception	
Variable Dimension	**Items**	**Reliability Score (α)**
Bank Growth - Bank Officials (q18-q20 and q21)	5	0.873

Source: Researcher 2015

6. Research Findings

Demographic Characteristics

The study targeted a population of one hundred and sixty bank official (160) from all commercial bank officials to respond the structured questionnaires designed for the study, but the response was eight one (81) which is almost sixty percent (36%) of the total population. Table 5.2 under section 5.4 above provides information on demographic characteristics of the responses from bank officials. Male constituted 48% and female, 52% of the entire sample. The majority of respondents (69%) came from private banks and 31% came from semi-quasi banks. The majority of respondents which are 56% came from Dar-es-salaam followed by Arusha 17%, Mwanza 11% and Kilimanjaro 5%. In terms of age, the majority of bank officials 43% were aged between 41 and 50. The next largest group, 30% is aged between 31 and 40. The next group, 10% is aged between 21 and 30 and the smallest group, 2% are between 18 and 29.

Bank Officials Respondent Profile

Structured questionnaires were administered to bank officials of both private and semi-quasi banks designed for the purpose of measuring the influence of bank ownership on the growth of Tanzanian commercial banks. Five research questionnaires (Q17-20 and Q 22) were designed and administered to bank officials for measuring the growth of the commercial banks as the results of bank ownership. These questionnaires were intended to obtain answers whether the banks have extended their services to remote areas (Q17), Banks have increased the number of customers (Q18), banks market share has increased as the result of bank ownership restructuring (Q19) banks has employed more staff as result of bank ownership (Q20). We present the mean scores, standard deviation and P-values of bank official responses in Table 4

Responses of Bank Officials on Bank Growth Variables

According to Table 4 the results show that 53% (21%+32%) of private bank customers disagreed that banks keep their customer records correctly, 17% (13%+4%) who agreed with the statement and 30% were not sure.The responses from semi-quasi banks show that 52% (21%+31%) disagreed with the statement and only 24% (15%+9%) agreed while 24% were not sure. On whether the banks tell customers exactly when services are to be provided the results show that 45 % (13%+22%) of private bank customers disagreed with the statement and only 39 % (25%+14%) agreed with the statement and 26% of them was not sure.

Table 4.Bank Officials Responses on Bank Growth Dimension

Variable	Bank Ownership	Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree	Total
Banks have extended their services to remote areas	Private	60 (28%)	88 (42%)	32 (15%)	25 (12%)	6 (3%)	211 (100%)
	Semi Quasi	138 (22%)	265 (42%)	78 (12%)	109 (17%)	37 (6%)	627 (100%)
Banks have increased the number of customers	Private	51 (24%)	106 (50%)	23 (11%)	28 (13%)	3 (1%)	211 (100%)
	Semi Quasi	122 (19%)	246 (39%)	96 (15%)	117 (19%)	46 (7%)	627 (100%)
Banks have increased market share	Private	74 (35%)	80 (34%)	19 (9%)	32 (15%)	6 (3%)	211 (100%)
	Semi Quasi	203 (32%)	231 (37%)	39 (6%)	95 (15%)	59 (9%)	627 (100%)
Banks have employed more staff	Private	41 (19%)	93 (44%)	38 (18%)	32 (15%)	7(3%)	211 (100%)
	Semi Quasi	85 (14%)	249 (40%)	111 (18%)	125 (20%)	55(9%)	627 (100%)

Source: Researcher Data Base 2015

Descriptive Statistics - Quantitative Data

We also analyze quantitative indicators in order to measure the extent the level of bank growth in terms of staffing level, total assets, level of customer deposits and level of lending. We analyzed the mean scores and standard deviations of these variables for a period of six years starting from year 2006 to 2011. The information is obtained from banks data archives over the period of study. The descriptive statistics of quantitative indicators that are selected to measure the extent of growth of the commercial banks following the financial sector reforms on bank ownership structure are presented hereunder.

Bank Growth in terms of increased number of Staff

According to table 5 the results show that semi-quasi banks had more employees at mean scores (SD) of 918.75 (687.44) employees as compared to private banks with mean scores (SD) of 106.830 (786.010) of employees in the year 2006. In year 2007 semi quasi banks had a mean score (SD) of 374.71 (527.967) as compared to private banks with mean scores (SD) of 162.08 (175.811) employees. What is notable here is that both banks did reduce the number of employees in the year 2007 as part of retrenchment policy and thereafter they have been increasing the number of staff at a higher percentage as more banks started operations in the following year with increased number of branches across the whole country. Results further show that semi-quasi banks had more employees at mean scores (SD) of 1191.50 (772.243) as compared to private banks with mean scores (SD) of 201.92 in the year 2008. In year 2009 semi quasi banks had a mean score (SD) of 1334.25 (1019.366) as compared to private banks with mean scores (SD) of 249.42 (205.719) employees. Finally results reveal a mean score (SD) of 1483.75 (1012.667) for semi-quasi banks as compared to mean scores (SD) of 277.67 (200.505). From these results it is clearly that private banks employ fewer employees as compared to semi-quasi banks simply because the majority of the private banks are still small as compared to semi-quasi banks which have extended their services in larger territories as compared to the private banks.

Bank Growth in terms customers Deposits

The results (Table 5) show increased number of customers at all types of ownership from year 2006 to the year 2011 though semi-quasi banks are leading in all year. In year 2006 Semi quasi banks had mean scores (SD) of 451,341.60 (369,893) customers deposits against mean scores (SD) of 100,620.74 (130,528.42) of customers' deposits in Private banks. In year 2007 semi-quasi banks had mean scores (SD) 588,155.00 (487,022.71) customer deposits against mean scores (SD) of 103,652.10 (131,480.06) of customers' deposits for private banks. This is an increase by 3% growth of customer deposits by private banks against 2) % of those of semi-quasi banks. The following year (2008) showed an increase in customer deposits by 20% on the semi-quasi banks with mean scores (SD) of 706,712.60 (588,879.34) of customers' deposits against the same level of increase of customers' deposits by 20% of private banks with mean scores (SD) of 124,581 (150,170.60) customers deposits for private banks. In year 2009, customers' deposits for semi-quasi banks increased by 23% with the mean scores (SD) of 867,145.80 (727,039.04) against an increase of 14% on customers' deposits with mean scores (SD) 142,112.63 (166,318.91) customers deposits for private banks. In year 2010, customers' deposits for semi-quasi banks increased by 23 % with the mean scores (SD) of 1,064,688 (907433.92) against an increase of 21% on customers' deposits with mean scores (SD) 172,631.32 customers deposits for private banks. The last year (2011) customers deposits for semi-quasi banks increased by 8% with the mean scores (SD) of 1,151,618 (1,010,178.8) against an increase of 20% on customers' deposits with mean scores (SD) 206,410.31 (240,964.00) customers deposits for private banks. Though % increase for semi-quasi bank is lower than private banks still semi-quasi banks had higher mean scores of amount of customer's deposits.

Table 5. Bank Customers Deposit (Tshs Million)

Year	Private	% Change	Semi-Quasi	% Change
2006	100,620.74		451,341.60	
2007	103,652.10	3%	588,155.00	30%
2008	124,581	20%	706,712.60	20%
2009	142,112.63	14%	867,145.80	23%
2010	172,631.32	21%	1,064,688.00	23%
2011	206,410.31	20%	1,151,618.00	8%

Source: Researcher Data Base 2015

Bank Growth in terms of Increased Total Assets

The results (Table 6) show increased total assets for types of bank ownership from year 2006 to the year 2011 though semi-quasi banks are leading in all year. Semi quasi banks had mean scores (SD) of 525,600 (425,180.216) total assets against mean scores (SD) of 133,936.05 (169,510.32) of total assets of Private Banks. In the year 2007 total assets of semi-quasi banks increased by 30% with the mean scores (SD) 684,894 (557,137.65) total assets against an increase of total assets of private banks by 17% with mean scores (SD) of 156,572.57 (197,969.40) of total assets from private banks. The following year (2008) showed an increase in total assets by 21% on the semi-quasi banks with mean scores (SD) of 832,009 (682,756.73) of total assets against an increase of total assets by 14% on private banks with mean scores (SD) of 178172.59 (219,274.39) total assets for private banks. In the year 2009 total assets for semi-quasi banks increased by 31% with the mean scores (SD) of 1,088,009.80 (884,135.45) against a decrease of 14% on total assets with mean scores (SD) 153,900.08 (167,454.45) total assets from private banks. In year 2010 customers deposits for semi-quasi banks increased by 25% with the mean scores (SD) of Tanzanian Shillings of 1,363,775.60 (1,111,380.70) against an increase of 51% on customers' deposits with mean scores (SD) of Tanzanian shillings 232,859.04 (262760.19) total assets from private banks. Final year (2011) total assets for semi-quasi banks increased by 8% with the mean scores (SD) of Tanzanian shillings 1475774.20 (1,219,462.90) against an increase of 17% on customers'

deposits with mean scores of Tanzanian shillings (SD) 272, 822.50 (307995.060) total assets from private banks.

Table 6. Bank Total Assets (Tshs)

Year	Private Banks	% Change	Semi-Quasi Banks	% Change
2006	133,936.05		525,600.00	
2007	156572.57	17%	684,894.00	30%
2008	178,172.59	14%	832,009.00	21%
2009	153,900.08	-14%	1,088,009.80	31%
2010	232859.04	51%	1,363,775.60	25%
2011	272822.5	17%	1,475,774.20	8%

Source: Researcher Data Base 2015

Bank Growth in terms of Increased Lending Activities

The results (Table 7) show increased lending activities of all types of bank ownership from year 2006 to the year 2011 though semi-quasi banks are leading in all years. Semi quasi banks had mean scores (SD) of Tanzanian Millions Shillings 234,488 (176252) against mean scores (SD) of Tanzanian Millions Shillings 105,342.2 (132,649.65) of loans for Private Banks. In year 2007, total loans of semi-quasi banks increased by 81% with the mean scores (SD) Tanzanian Millions Shillings 361,635.50 (230,449.43) loans against an increase of total assets of private banks by 54% with mean scores (SD) of Tanzanian Millions Shillings 190,144.58 (103,642.41) of private banks. The following year (2008) showed an increase in total loans by 49% on the semi-quasi banks with mean scores (SD) of Tanzanian Millions Shillings 538,091.25 (324,410) of total loans against a decrease of total loans by 37% of private banks with mean scores (SD) of Tanzanian Millions Shillings 119,068.08 (131,565) total loans from private banks. In the year 2009 total loans for semi-quasi banks increased by 12% with the mean scores (SD) of Tanzanian Shillings of 601,085(354,750) against an increase of 2% in total loans with mean scores (SD) of Tanzanian shillings 121,310(105,914) total loans from private banks. In year 2010, total loans for semi-quasi banks increased by 16% with the mean scores (SD) of Tanzanian Millions Shillings 698,324 (433,286.16) against an increase of total loans by 28% of total loans with mean scores (SD) of Tanzanian Millions Shillings 155,274.50 (144,902.15) for private banks. Final year (2011) total assets for semi-quasi banks increased by 20% with the mean scores (SD) of Tanzanian shillings 1475774.20 (1,219,462.90) against an increase of 35% on customers' deposits with mean scores of Tanzanian shillings (SD) 272, 822.50 (307995.060) total loans from private banks

Table 7. Bank Loans (Tshs)

Year	Private	% Change	Semi-Quasi	% Change
2006	105,342.20		234,488	
2007	190,144.58	81%	361,635.50	54%
2008	119,068.08	-37%	538,091.25	49%
2009	121,310.00	2%	601,085.75	12%
2010	155,274.50	28%	698,324.00	16%
2011	210,024.33	35%	838,179.25	20%

Source: Researcher Data Base 2015

7. Hypothesis Testing

The research Hypotheses are tested by using t –test scores to test for the significance relationship between bank ownership structure and bank growth. We also use regression analysis to understand the relationship between bank ownership structure and bank growth indicators (Panel data) among semi-quasi and private banks. Hypothesis one (H1) is re-stated as"

Ho: 1: Bank ownership structure is positively related to growth of banks in Tanzania

Ha: 1: Bank ownership structure is not positively related to bank growth in Tanzania

An independent sample t-test was conducted to test the relationship between ownership structure and bank growth variables (Table 8). The t-test results that compares private banks an semi-quasi banks in terms of extension of extension to remote areas reveal that there was no significant difference in scores for private banks (M=2.77, SD=1.160) and semi-quasi banks (M=2. 88, SD=1. 116) conditions; t (79) =-. 0401, p=0. 689). Even though, according to these results semi –quasi banks seem to have extended more services to remote areas with higher mean scores, these results suggest that ownership structure does not influence banks' decisions to extend their services to remote areas and hence accept the Null Hypothesis **(Ho: 1a)** and conclude that there is no relationship between bank ownership structure and banks services extension to remote areas. On whether the bank ownership structure influences the number of customers t-test results reveal that there was no significant difference in scores for private banks (M=3.39, SD=1.246) and semi-quasi banks (M=3.20, SD=1.443) conditions; t (79) =0.613, p=0.542). These results show that private banks have a slight increase in the number of customers as compared to private banks, though the results suggest that ownership structure does not really

influence the number of customers (P>0.05) and we therefore reject Null hypothesis **(Ho: 1b**) and conclude that there is no relationship between bank ownership structure and banks having increased number of customers.

As far as banks ownership structure relationship to increased market share t-test results show that there was no significant difference in scores for private banks (M=3.11, SD=1.216) and semi-quasi banks (M=3.20 ,SD=1.258) conditions; t (79) =-0.314, p=0. 754). These results show that semi-quasi banks have a slight increase in market share as compared to private banks, though the results suggest that ownership structure does not really influence the market share (P>0.05) and we therefore reject Null hypothesis (**Ho:1c)** and conclude that there is no relationship between bank ownership structure and bank increased market share. We can attribute the differences in market share between private and semi-quasi banks to other factors beyond this study. The t-test results on the relationship between ownership structure and staff employment show that there was no significant difference in scores for private banks (M=2.96 SD=1.095) and semi-quasi banks (M=2.88 SD=1.364) conditions; t (79) =0.296, p=768). These results show that private banks have a slight number of Staff as compared to private banks, though the results suggest that ownership structure does not really influence the number of staff (P>0.05) and we therefore reject Null hypothesis **(Ho:1d)** and conclude that there is no relationship between bank ownership structure and bank increased number of staff. Other factors not revealed by this study might explain what influences banks employment of staff. Finally t-test results on the relationship between bank ownership structure and banks' ability to manage their costs show that there was a significant difference in scores for private banks (M=3.21 SD=1.331)and semi-quasi banks (M=3.20 SD=1.291) conditions; t (79) =0.045, p=964).These results show that private banks have a slight more score on managing their costs as compared to semi-Quasi banks, though results suggest that ownership structure does not really influence ability to manage costs (P>0.05) and we therefore reject Null hypothesis **(Ho: 1e)** and conclude that there is no relationship between bank ownership structure and banks' ability to manage its costs efficiently. Other factors not revealed by this study might explain what influences the banks' ability to manage its costs.

Table 8. Mean Scores, standard deviation and independent T-test Results

Variable	Bank Ownership	N	Mean	Std. Deviation	t	df	Sig. (2-tailed) P-Value
The bank has extended its services to remote areas after to the reforms	Private Semi-Quasi	56 25	2.77 2.88	1.16 1.116	-0.4	79	0.689
The Bank has increased the number of customers	Private Semi-Quasi	56 25	3.39 3.2	1.2.46 1.443	0.61	79	0.542
The Market share has increased as the result of change of bank ownership	Private Semi-Quasi	56 25	3.11 3.2	1.216 1.258	-0.3	79	0.754
The Bank has employed more staff as a result of a change of ownership	Private Semi-Quasi	56 25	2.96 2.88	1.095 1.364	0.296	79	0.768
The Bank is able to manage its costs of operations efficiently	Private Semi-Quasi	56 25	3.21 3.2	1.331 1.291	0.045	79	0.964

Source: Researcher Data 2015

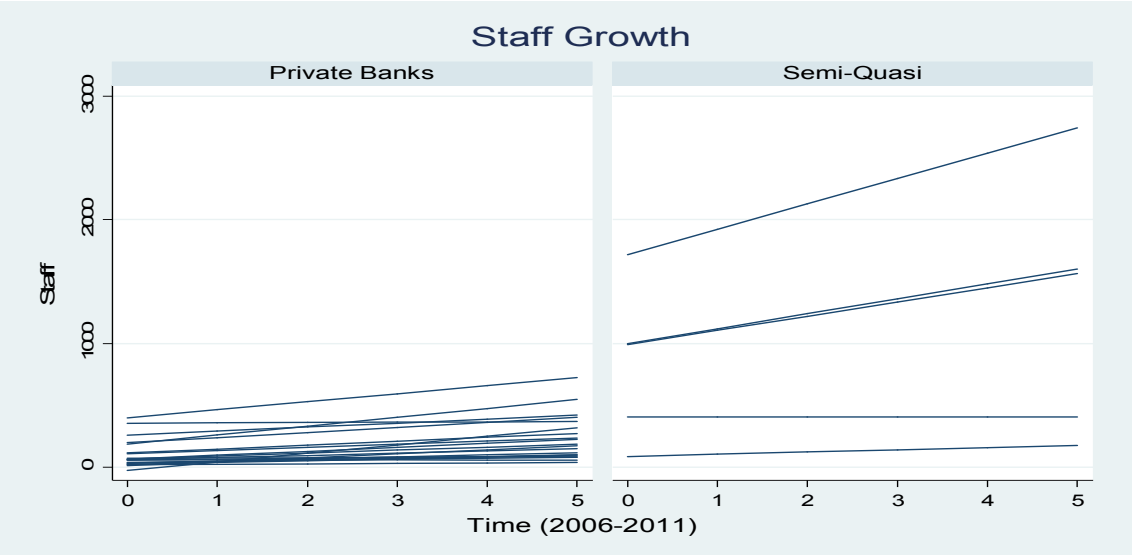
Regression Analysis of Panel Data

We consider the testing of the hypothesis as an important venture to determine the whether the hypothesis is true or false (Kothari 2004) and we interpret the results according. We therefore perform a simple linear regression to test the relationship between the independent variable (Bank ownership) and various indicators of growth as a dependent variable. Regression is between bank ownership type, size and number of staff (1), Regression between bank ownership structures time and customers' deposits (2), total assets and Customers loans and advances. The regressions results are presented below indicate all bank ownership structures to different variables indicators of bank growth.

Regression of Staff Growth on Time, size and type of bank ownership

The data set contains data for 31 banks; each bank has six years of data (2006-2011). The number of records is 31*6=186.Analyses refer to the 30 banks with private or semi-quasi ownership; the one bank that is community owned has been excluded. Within this set, 25 banks have 5 or 6 complete observations; 20 of them are private and 5 semi-quasi. We have done regressions for each of these 25 banks, with staff as the dependent and time as the independent variable. The outcomes are summarized in figure 1. The figure shows that staff at all banks has been growing. The growth rates seem to have been steeper at banks that are larger; the biggest banks are some of the semi-quasi banks. The smaller semi-quasi banks have low growth rates that would fit in with the growth rates of private banks of similar size

Figure 1.Trend Analysis - Staff Growth



Source: Researcher 2015

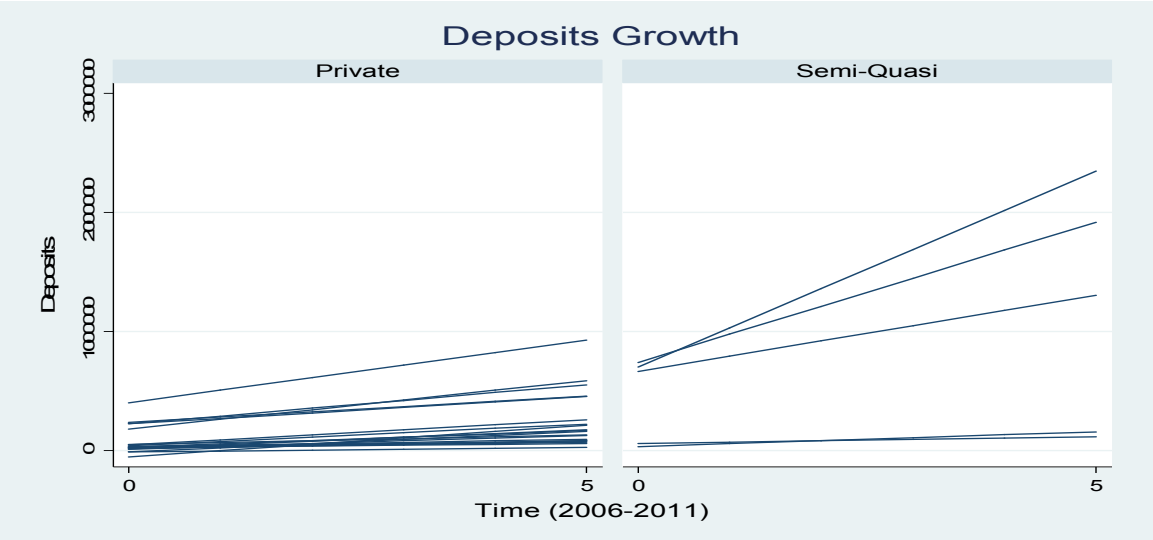
Note (1) ; independent variable –time; depedent variable number of bank staff

An overall regression model has been estimated by the change in staff as compared to the previous year as the dependent variable, and time, type of ownership and size (staff in the previous year) as the independent variables. Growth of staff is slowing down, as indicated by the negative coefficient of time (yr1). As expected the level of staff growth is related to the staff size (equal growth rates of, say, 1% would lead to an increase of staff of 10 at a bank of size 1,000, but a growth of only 1 staff member of a bank of size 100). Since semi-quasi banks are substantially larger than private banks, a regression with just time and type ownership (model 1.a) would wrongly ascribe that effect to the type of ownership; when controlling for size, the effect of type of ownership is insignificant (model 1.b). Other factors that are not explained by this regression model might include the growth of bank networks in terms of increased number of branches across the country and increased competition among many competing banks both local and foreign banks. We can therefore conclude that there is no support for the hypothesis that growth is bigger for semi-quasi banks than for private (or the other way round). Yes, semi-quasi banks do grow fast, but that's due to their size. Actually the question is hard to answer since we do not have any private banks the size of semi-quasi banks. However, the semi-quasi banks that have smaller size, comparable to private banks, do not show fast growth.

Regression of Deposits Growth on time and type of ownership

The data set contains data for 31 banks; each bank has six years of data (2006-2011). The number of records is 31*6=186.Analyses refer to the 30 banks with private or semi-quasi ownership; the one bank that is community owned has been excluded. Within this set, 25 banks have 5 or 6 complete observations; 20 of them are private and 5 semi-quasi. We have done regressions for each of these 25 banks, with customer deposit as the dependent and time as the independent variable. The outcomes are summarized in figure **2.** The figure shows that customers deposit at all banks has been growing. The deposit growth rates seem to have been steeper at semi quasi banks that are larger banks than the private banks; the biggest banks are some of the semi-quasi banks. The smaller semi-quasi banks have low growth rates that would fit in with the growth rates of private banks of similar size

Figure 2 Trend Analysis - Deposit Growth



Source: Research Data, 2015

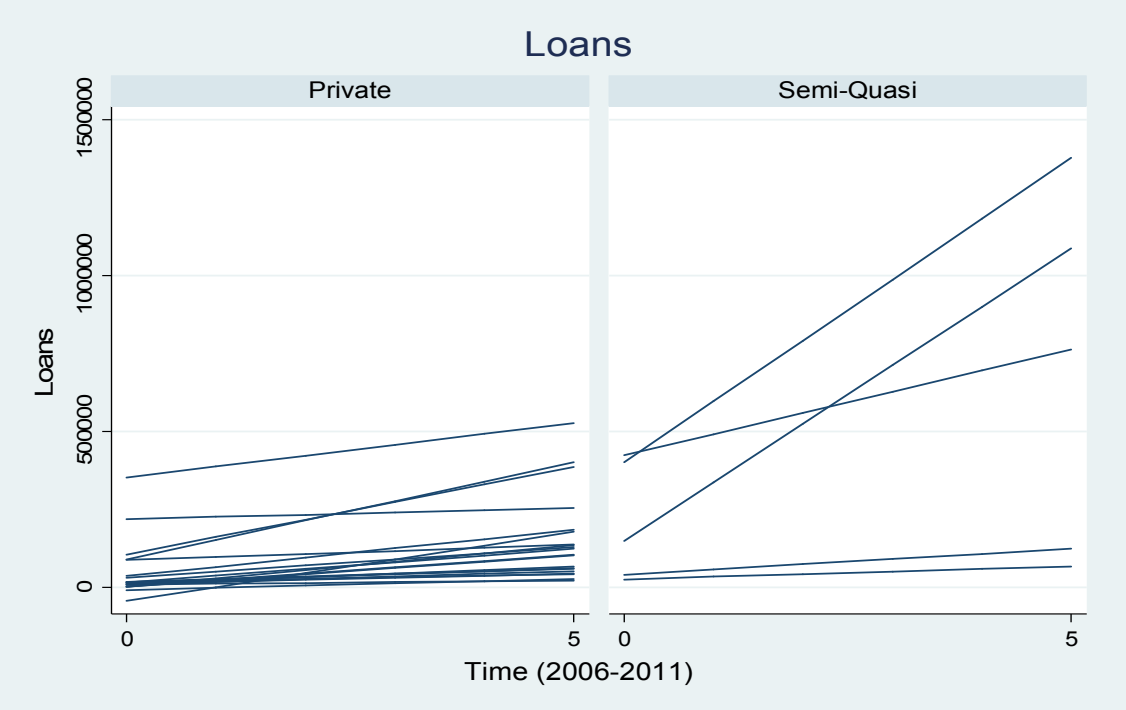
Note (1) Independent variable- time: Dependent variable deposit growth

We estimate a regression model with the change in customers deposit as compared to the previous year as the dependent variable, and time, type of ownership as the independent variables. Growth in customer deposit is increased up, as indicated by the positive coefficient of time (yr1). As expected the level of deposit growth is related to the type of ownership (equal growth rates of, say, 1% would lead to an increase of staff of 10 at a bank of size 1,000, but a growth of only 1 staff member at a bank of size 100). Since semi-quasi bank's deposits are substantially larger than private banks, a regression with just time and type ownership (model 1.a) would wrongly ascribe that effect to type of ownership; when controlling for size, the effect of type of ownership is insignificant (model 1.b) The growth of customers deposit of both banks could also be explained by other factors than bank ownership such as the dramatic shift of banks offering personal loans to new markets , growth of the private business resulting to increased retail banking. On the other side the increased level of foreign investors in the country might have caused the banks to offer variety of products that create access to these businesses to access loans from the banks**.** Overall we can accept the hypothesis **(Ho: 1f)** and conclude that there is a relationship between bank ownership and banks deposits growth

Regression of Customer loan growth on time and type of ownership

We have done regressions for each of these 25 banks, with customer loans as the dependent and time as the independent variable. The outcomes are summarized in figure 2. Generally, smaller semi-quasi banks (the lower regression lines in the right-hand diagram) are not any different from private banks with the same level of loan sizes. Two semi-quasi banks (one of them of moderate size in 2006) has grown very fast (a fourfold increase); a similar observation holds true for the semi-quasi bank that was slightly smaller in 2006 but has overtaken the number-one position by 2011. The other large semi-quasi bank has not grown faster than the largest private bank.

Figure 3. Loans Growth of private and Semi-Quasi Banks (2006-2011)



Source: Researcher Data Base 2015

Note ; idependent variable ownership type, depedent variable; customer loans

We also estimate a regression model with the change in customer loans as the dependent variable, and time, type of ownership as the independent variables. Growth in customers loan is increasing up, as indicated by the positive coefficient (3616.227) of time (yr1). As expected the level of deposit growth is related to the type of ownership Since semi-quasi bank's deposits are substantially larger than private banks, a regression with just time and type ownership (model 3.a) would wrongly ascribe that effect to type of ownership; when controlling for size, the effect of type of ownership is insignificant (model 3.b) In regression model 3.c, we have regressed **dloans** on time (**yr2**); the size of the bank (**loans2**, the loans in the previous year); and ownership (**own**dum, as a dummy: 0=private, 1=semi-quasi). The annual change in loans moves up with the size of the bank, at a rate of around 15.6% (the coefficient for **loans2**). This yearly growth of 15.6% is stable in the 2006-2011, indicated by the insignificant coefficient of **yr2**. This more or less linear growth is captured by the highly significant coefficient of **loans2**; the insignificant coefficient of **yr2** does not mean that there's no growth! The dummy for ownership is insignificant, implying that the annual growth is about the same for private and semi-quasi banks. For a bank of size 400,000 (in loans), expected annual growth is more than 28,000 higher for semi-quasi banks; however, due to the small sample size and the wide spread in the data, this by itself quite sizeable effect is not statistically significant. Further findings on relationship between bank ownership structure and bank loans gowth was found through interview of bank managers we revealed that that the growth of customer's loans of both banks was also explained by other factors than bank ownership such as increased customer knowledge on the importance of using banking services, increased different types of banks brands, increased number of investor finance their capital structure through use of loans other than equity leading to use more bank loans. The level of business growth in the country has also led to increased number of business, hence contributing to corporate customer loans as well as personal loans of their employees. Majority banks have opened doors for personal loans in the country, hence encouraging employees to seek these loans as they are backed only by salaries and not any other type of collateral. Overall, we can accept the hypothesis **(Ha:1g)** and conclude that there is a relationship between bank ownership structure and increased bank customer loans while semi quasi banks are leading ahead private banks

Regression of Total Assets Growth on time and type of ownership

The data set contains data for 31 banks; each bank has six years of data (2006-2011). The number of records is 31*6=186.Analyses refer to the 30 banks with private or semi-quasi ownership; the one bank that is community owned has been excluded. Within this set, 25 banks have 5 or 6 complete observations; 20 of them are private and 5 semi-quasi. We have done regressions for each of these 25 banks, with banks total assets as the dependent variable and time as the independent variable. The outcomes are summarized in figure 4. The figure shows that the total assets of all banks have been growing. Comparing the growth between private banks and Semi-Quasi banks,

smaller private banks had slightly higher grown than small semi-quasi banks while the larger semi-quasi banks have been growing at a higher steeper rate than the private banks.

Figure 4. Bank Total Assets Growth (2006-2011)

Source: Researcher 2015

Note (3) Independent Variable : Time : Dependent Variable Total Assets Growth

We also estimate a regression model (Model 4a) with the change in total assets as the dependent variable, and time, type of ownership as the independent variables. Growth in total assets is increasing up, as indicated by the positive coefficient (0.148549) of time (yr1).It is expected from the hypothesis (H4:1e) that the level of total assets is related to the type of ownership .Since semi-quasi total assets are substantially more than private banks, a regression with just time and type ownership (model 3.a) would correctly ascribe that effect to type of ownership; when controlling for size, the effect of type of ownership is significant (model 3.b) as $P<0.005$ The regression models above (Model 4a, Model 4b and Model 4c) only reveals that only 21.84% of bank total assets is explained by type of bank ownership (R-squared = 0.2184) which means there could be other factors that explain the growth of total assets Through interview of bank managers we found that the growth of total assets growth is explained by the strategic plans of the banks that have forced them to grow their balance sheets, the shift of the government of transfer their deposits from the central bank to the commercial banks in the country as well as the size of the banks. Larger as big banks have more total assets than small banks irrespective of whether they are private banks or semi-quasi banks. Overall we can accept the hypothesis **(Ha:1h)** and conclude that there is a relationship between bank ownership structure and increased banks total assets while semi quasi banks are leading ahead private bank

Hypothesis two (2)

Hypothesis two is tested by using mean scores to test for the significance difference scores between private banks and semi quasi banks and we also perform MANOVA tests to test the differences of the variable dimension among two groups of banks. The objectives is to test whether there is any significant differences between the growth of semi-quasi banks and private banks

Ho: 2: Bank growth is not significantly different among semi-quasi banks and Private Banks

Ha: 2: Bank growth is significantly different among semi-quasi banks and Private Banks

We test this hypothesis by testing significance differences between the qualitative indicators of bank growth, namely the number of staff, level of customer deposits and the level of loan advances. The mean scores results (Table 10) reveal higher mean scores for semi-quasi banks in terms of bank extension of services to remote areas (X= 2.88) as compared to private banks (X=2. 77) meaning that semi-quasi banks have more extension of their services to remote areas as compared to private banks. Private banks have higher mean scores in terms of number of customers (X=3.39) as compared to semi-quasi banks (X=3.20) while, in terms

market share semi-quasi banks had also higher mean scores (X= 3.2) as compared to private banks (X=3.11). Private banks had higher mean scores in terms of employment of more staff (X= 2.96) as compared to semi-quasi banks, which had lower mean scores (X=2. 88). Finally, private banks had higher mean scores in terms of capacity in managing operation costs (X= 3.21) as compared to semi-quasi banks which had lower mean scores (X=3.20)

Table 10. Mean Scores- Qualitative Factors –Bank Growth Indicators

Research Variable	Mean Private Banks	Mean Semi Quasi-Banks
Bank extension services to remote areas	2.77	2.88
The bank has increased the number of customers	3.39	3.2
Market share has increased	3.11	3.2
Bank employment of more staff	2.96	2.88

Source: Researcher Data Base 2015

The above mean scores were compared between semi-quasi banks and private banks by using MANOVA Tests. The F-Test results bank growth was significantly different between semi-quasi banks and private banks at less than 0.05 (Table 5.31) and we can therefore accept the Null hypothesis (**Ho: 4**) which states that there is no significant difference between private banks and semi-quasi banks.

Table 11. MANOVA Test Results for Tangibility

MANOVA	F-Statistics df=5.000	P-Value
Pillai's Trace	337	.889
Wilks' Lambda	337	.889

Post hoc analysis was also conducted by using Univariate F-Statistics to test the differences in each dimension of bank growth between private banks and semi-quasi banks. Results show that the difference in growth as per bank officials perceived variable between semi-quasi and private banks were not significantly different from each other's as p>0.05 (Table 12). There is no significance difference between private and semi-quasi banks in terms of banks extension of services to remote areas (T=0.161, F = p=0.689), there is no significance difference between private and semi-quasi banks in terms increasing number of staff (T=0.375, F = p=0.542), there is no significance difference between private and semi-quasi banks in terms of banks increased market share (T=0.099, F = p=0.754), there is no significance difference between private and semi-quasi banks employment of more staff (T=0.088, F = p=0.768) and Finaly, there is no significance difference between private and semi-quasi banks in terms of banks capacity to manage its costs of operations efficiently (T=0.02, F = p=0.964),

Table 12. .Results from F- Tests of Bank Growth

	Mean Private Banks	Mean Semi Quasi-Banks	Mean Difference	F	P-Value
Bank extension services to remote areas	2.77	2.88	0.11	0.161	0.689
The bank has increased the number of customers	3.39	3.20	0.19	0.375	0.542
Market share has increased	3.11	3.20	0.09	0.099	0.754
Bank employment of more staff	2.96	2.88	0.08	0.088	0.768
Bank capacity to manage its costs of operations efficiently	3.21	3.20	0.01	0.002	0.964

Source: Researcher Data Base 2015

We further test hypothesis four by testing significance differences between the quantitative indicators of bank growth namely number of staff, level of customer deposits and level of loans advances. The mean scores results (Table 13) reveal higher mean scores for semi-quasi banks in terms of increased number of staff (X= 1069.30) as compared to private banks (X=144.47) meaning that semi-quasi banks employed more staff than private banks. Semi-quasi banks have also higher mean scores (X=804926.83) as compared to private banks (X-145,419.15)while in terms o total assets semi-quasi banks had also higher mean scores (X= 995010.57) as compared to private banks (X=192416.56). Finaly , semi-quasi banks had higher mean scores in terms of loan advances (X= 445,378.70) as compared to private banks which had lower mean scores (X=89050)

Table 13: Mean Scores: Bank Growth Quantitative Indicators

Variable	Mean Scores Private Banks	Mean Scores Semi-quasi
Number of staff	144.47	1069.30
Customer Deposit	145419.15	804926.83
Total Assets	192416.56	995010.57
Loan Advance	89050.91	445378.70

Source: Researcher Data Base 2015

We compare the above mean scores between semi-quasi banks and private banks by using MANOVA tests. The F-Test results show that bank growth was significantly different between semi-quasi banks and private banks at less than 0.05 (Table 14) and we can therefore accept the Null hypothesis (Ho:4) which states that there is significant difference between private banks and semi-quasi banks in terms of banks growth as measured by quantitative variables

Table 14 MANOVA Test Results for Bank Growth Indicators

MANOVA	F-Statistics df=4.000	P-Value
Pillai's Trace	.496	.000
Wilks' Lambda	504	**.000**

Post hoc analysis was also conducted by using Univariate F-Statistics to test the differences in each dimension of bank growth between private banks and semi-quasi banks. The results (Table 4.35) show that there is significance difference between private and semi-quasi banks in terms of number of staff employed by banks (F= 160.202, p=0.000), there is significance difference between banks private and semi-quasi banks in terms of customer deposits (F-=94.077, P=0.000) there is significant difference between banks private and semi-quasi banks in terms of total assets (F=90.087, p-=0.000) and finally there is significant difference between banks private and semi-quasi banks in terms of loan advances (F=79.365 P=0.000)

Table 15. Results from F- Tests of Bank Growth- Quantitative and Financial Indicators

	Mean Private Banks	Mean Semi Quasi-Banks	Mean Difference	F	Sig.
Number of staff	144.47	1069.30	924.8	160.202	.000
Customer Deposit	145419.15	804926.83	659,507.70	94.077	.000
Total Assets	192416.56	995010.57	802,594.0	90.087	.000
Loan Advance	89050.91	445378.70	356,327.80	79.365	.000

Source: Researcher 2015

8. Discussion and Conclusion

Research question three tried to examine the influence of bank ownership structure on bank growth following the financial sector reforms for a period of six years beginning year 2005 to year 2011. Firstly, we examined the relationship between bank ownership structure and various dimensions of bank growth as measured by bank official's perception and other quantitative indicators. These variable included growth of banks in terms of extension of services to remote areas, , increased number of customers, market share and employment of staff as perceived by bank officials. Generally we found that bank ownership structure do not have any relationship with banks decision to extend their services to remote areas, bank ownership structure does not influence the number of bank customers, bank ownership structure does not influence banks market share, bank ownership structure does not influence the bank number of staff and finally there is no relationship between bank ownership structure and banks' ability to manage their costs. However, despite the fact that bank ownership did not influence bank growth on the discussed variables we found that semi-quasi banks have extended more services to remote areas than private banks and they have also increased their market share as compared to private banks. On the other side private banks have increased the number of customers compared to their counterparts, private banks have employed more staff and they also manage their operational costs efficiently. Finally, we examined the relationship between bank ownership and quantitative indicators of bank growth namely staffing levels, customer deposits, total assets and customer's loans. Quantitatively we found that there is no relationship between bank ownership structure and increased bank customer deposit though other factors such as the dramatic shift of banks offering personal loans to new markets, growth of the private business resulting to increased retail banking explained the reasons for increased customer's deposits. On the other side the increased level of foreign investors in the country might have caused the banks to offer variety of products that create access to these businesses to access loans from the banks.

We also found that there is a relationship between bank ownership structure and increased bank customer loans though other factors explained the factors for increased lending activities such as increased customer knowledge on the importance of using banking services and increased different types of banks brands. It was also revealed that the increased number of investors who finance their capital structure through use of loans other than equity leading to use more bank loans contributed to increased lending activities of the banks.

The level of business growth in the country has also led to increased number of business, hence contributing to increased corporate customer loans as well as the personal loans to employees.

Finally the findings show that there is a relationship between bank ownership structure and increased bank total assets though other factors such as the strategic plans of the banks that have forced them to grow their balance sheets, the shift of the government from using the central bank only for taking government deposit and starting using the commercial banks as well. Finally the increased total assets has been influenced by the size of the banks themselves as larger banks have more total assets than small banks irrespective of whether they are private banks or semi-quasi banks .

Results also show no significance differences between private banks and semi quasi banks in terms of bank growth qualitative factors. There is no significance difference between private and semi-quasi banks in terms of banks extension of services to remote areas , there is no significance difference between private and semi-quasi banks in terms increasing number of staff , there is no significance difference between private and semi-quasi banks in terms of banks increased market share , there is no significance difference between private and semi-quasi banks employment of more staff and finally there is no significance difference between private and semi-quasi banks in terms of banks capacity to manage its costs of operations efficiently. However in terms of quantitative factors of growth results show that The results show that there is significance difference between private and semi-quasi banks in terms of number of staff employed by banks , there is significance difference between banks private and semi-quasi banks in terms of customer deposits, there is significance difference between banks private and semi-quasi banks in terms of total assets and finally there is significance difference between banks private and semi-quasi banks in terms of loan advances.

9. Recommendations

Following the above findings and discussion on the research question we make four six major recommendations. Following the findings and discussion on the research question two on bank growth we recommend that government policies should encourage semi-quasi banks to flexi their loan granting conditions in order to encourage more corporate and personal loans which at the end can lead to growth of banks in terms of deposits and loans, banks and Government should educate the public and business community about the importance of using bank services, this can lead to bank growth in number of customers and level of deposits. At the same time the government of Tanzania should enhance policies that encourage the growth of economic activities and attraction of more foreign investors that at the end it can enhance bank growth in the country and the government should continue supporting the banks by depositing and channeling government funds through the commercial banks instead of using the tradition way of depositing or channeling the funds through the central bank only as well as support and encourage large private banks to extend more services to remote areas so as to increase the level of economic monetization in the country. The findings of this study suggest for a further research on what really can influence the growth of the Tanzanian banks other than bank ownership over time, as studies on bank growth in Tanzania are not adequate enough to explain the growth phenomena in Tanzania. The findings of this study does not explain what other factors are likely to influence banks efficiency over time and therefore we recommend for further study that can explore the factors that are likely to influence bank efficiency other than bank ownership.

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Appendices : Table 1

Table 1.1- List of Tanzania Commercial Banks in Year 2010

Access Bank	Bank of India	DCB- Bank	International Commercial Bank
Akiba Commercial Bank	Barclays Bank	Diamond Trust Bank	Kenya Commercial Bank
Azania Bank	CF Union Bank	Exim Bank	National Bank of Commerce
Bank ABC	Citibank	ECO Bank	National Microfinance Bank
Bank M	Continental Bank	FBME Bank	Mkombozi Commercial Bank
Bank of Africa	Commercial Bank of Africa	Habib African Bank	Twiga Bank
Bank of Baroda	CRDB Bank	United Bank of Africa	Tanzania Post Bank
Savings and Finance	Commercial Bank	Mwanga Commercial Bank	

Source: Researcher 2013

Table 2. Demographic characteristics-Bank official

Ownership	**Frequency**	**Percent**
Private	56	69%
Semi-Quasi	25	31%
Total	**81**	**100%**
Location	Frequency	Percent
Mwanza	9	11%
Arusha	14	17%
Dar-es-salaam	54	67%
Kilimanjaro	4	5%
Total	**81**	**100%**
Position	Frequency	Percent
Chief Finance Officer	1	1%
Human Resources Manager	1	1%
Information System Manager	5	6%
Customer Relationship Manager	10	12%
Marketing Manager	5	6%
Branch Manager	5	6%
Finance Officer	14	17%
Bank Officers	40	49%
Total	**81**	**100%**
Sex	Frequency	Percent
Male	38	47%
Female	43	53%
Total	**81**	**100**