An Analysis of the Impact of Cultural Transfer on Organizational Performance in the Financial Services Sector ....

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An Analysis of the Impact of Cultural Transfer on Organizational Performance in the Financial Services Sector (Bulawayo-based financial institutions)

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ABSTRACT

This research looks at an analysis of the impact of cultural transfer on organizational performance in the financial services sector, culminating from high employee mobility within the industry in Zimbabwe. The industry has been characterized by high employee mobility in an environment where each and every financial institution should ideally have a unique culture, resulting in a distortion of the uniqueness of these respective organizational cultures and other strategic interventions, which organization would normally focus on in endeavoring to create competitive advantage and optimize organizational performance. Some of these interventions include human resources development, strategic management (formulation, implementation, evaluation and control), organizational development, change management, as well as mergers and acquisitions, among others. The objectives of the research are to :assess how staff mobility in the financial services sector impacts on the transfer of different organizational cultures from one institution to the other; evaluate the correlation between organizational culture and organizational performance; evaluate the impact of recruitment, selection, training and development and other human resource interventions in shaping organizational culture; and evaluate the impact of organizational culture on organizational strategy formulation, implementation, evaluation and control. The findings of the research revealed that: employee mobility results in cultural transfer; corporate culture influences strategy formulation and execution; corporate culture has an impact on all human resource management interventions; culture determines responsiveness to environmental changes and affects the management of change; and corporate culture influences ethical business conduct.

Keywords: Organizational Culture, Organizational Performance, Financial Institutions, Culture Transfer

BACKGROUND TO THE STUDY

The past two decades have witnessed the Banking Industry proving to be one of the most dynamic and fast-growing industries in Zimbabwe. Over and above very high salaries, one of the major attractions in the banking industry has been the availability of generous fridge benefits such as housing, personal, study and motor vehicle loans, which are not readily available in other organizations outside the financial services sector. In addition to these benefits banks have been offering their employees other luxurious allowances such as clothing, gym, and lunch allowances, membership subscriptions to golf clubs and other sporting facilities. New players have also come into the industry offering very   attractive packages to attract the best personnel and in the industry offering very attractive packages to attract the best personnel and in the process trying to create a competitive edge over other players.

The industry has rapidly developed with the insurgence of new locally owned financial institutions. The incorporation of these new financial institutions over the past ten years has resulted in the industry changing complexion from one largely dominated by international banks to an industry with a blend of local and international financial institutions. All the institutions, which make up the industry, have diverse and unique organizational cultures. The growth of the industry has been accomplished by a high degree of employee mobility, which inevitability resulted in a continuous transfer of organizational cultures from one institution to another.

The financial services sector has been characterized by a very high mobility of employees from one financial institution to another, inevitability accompanied by a transfer of diverse cultures across organizations within the industry. The transfer of cultures from one organization to other has had an

impact on recruitment and selection, training and development, employee motivation and other strategic interventions, which influence organizational performance.

The old traditional financial institutions have very conservative cultures while the new players in the financial services sector are generally dynamic, versatile and innovative. Employees at both managerial and non-managerial levels have been moving across these two groups of organizational within the financial services sector. While the traditional banks have seasoned bankers ,highly experienced and experienced and excellent in adherence to policies and procedures, they have been perceived as generally rigid, "doing things by the book" and lacking the flexibility and innovativeness, which would give an organization a cutting edge competitive advantage in this dynamic environment. On the otherhand young university graduates, who have the dynamism, versatility and innovation, largely staff the new bank, which has seen them, grow in leaps and bounds over the past few years. The relaxed approach towards adherence to policies and procedures has however been cited as one of the major reasons for the downfall of a number of the new banks during the 2003-2004 Zimbabwean Banking Industry crisis.

The industry has therefore been characterized by diversify of cultures and the movement of personnel from one organisation to another has had an impact on shaping organizationalcultures, subsequently impacting organizational performance. Peters and Waterman (1982:75-6), who once carried out a research in 62 American companies with outstandingly successful performance, drew some attention to the importance of organizational culture on performance:

Without exception, the dominance and coherence of culture proved to be an essential quality of the excellent companies. Moreover, the stronger the culture and the more it was directed to the marketplace, the less the need was there for policymanuals, organizational charts, or detailed procedures and rules. In these companies, people way down the line know what they are supposed to do in most situations because the handful of guiding values is crystal clear,"

Heller (1997:229), another researcher who studied the top European companies reiterated the remarkable importance of culture on organizational performance:

"There is nothing accidental about cultural strengths… There is a relationship between an organization's culture and its performance."

It is this relationship between corporate culture and organizational performance that has been affected by cultural transfer due to employee mobility within the financial services sector .The perpetuation of stable and strong cultures, which are ideal for excellent organizational performance, has therefore been a challenge in this industry, owing to the mobility of employees among organizations, which have diverse cultures.

DEFINING ORGANIZATIONAL CULTURE

According to Stoner and Freeman (1999:226) organizational culture is the set of understandings, such as norms, values, attitudes and beliefs, shared by organizational members. Robbins (1993:602) defines it as a common perception held by the organization's members; a system of shared meaning. These shared norms, values, attitudes and beliefs distinguish one organization from the other and give each organization its distinct personality. Within the Zimbabwean financial services sector, different cultures characterize different financial institutions, making them all distinct one form another, each institution being unique in its own way. Organizational culture shapes employee attitudes and determines the way the organization interacts with its environment. Mullins (2002:802) quotes McLean and Marshall's (1993) definition, which reads:

"Organisation culture is the culture of traditions, values, policies, beliefs and attitudes that constitute a pervasive context of everything we do and think in an organization."

Certainly, organizations within the financial services sector in Zimbabwe, while governed by the same regulatory framework and also responding to the needs of individual and corporate clients within the same economic environment, exhibit distinct ways of thinking and doing things.

THE HISTORY OF ORGANIZATIONAL CULTURE

According to Robbins (1993:601) the idea of viewing organizations as cultures is a recent phenomenon. Before the development of this ideology, organizations were simply perceived as rational means by which groups of people could be controlled and coordinated. Organizations were just viewed as operational structures with vertical levels, departments, authority relationships and other functional aspects. In recent years, it has however been realized that organizations, like individuals, have personalities, can be flexible or rigid, supportive or unfriendly, innovative or conservative. The players in the Zimbabwean financial services sector are no exception. Various financial institutions within the market portray distinct and unique personalities, varying levels of flexibility and or rigidity in responding to customer needs within the market place, and different extents of being supportive to the various levels of clientele. These institutions also exhibit very distinct levels of innovation in new product development, and the extent to which they can be either conservative risk-seeking in responding to opportunities that arise in the market. It is Robbins's further assertion that each organization has a unique feeling and character beyond its structural characteristics. It is recent that organizational theorists have begun to recognize and acknowledge the role of culture in the lives of organization members.

The origin of culture as an independent variable affecting an employee attitude and behavior as well as organization performance can be traced back to the notion of institutionalization. Selznick (1948:25) defines institutionalization as "when an organization takes on a life of its own, apart from that of its members and acquires immortality." He further asserts that when an organization is institutionalized, it becomes valued for itself, not merely for the goods and services it produces. It acquires immortality such that even if its original goals are no longer relevant, it can redirect itself and assume other goals, which can ensure survival and sustainability. Zucker (1983:47) who also contributed to the development of the theory of institutionalization added that institutionalization operates to produce common understandings among members about what is appropriate, and fundamentally meaningful behaviour. Therefore, when an organization takes on institutional permanence, acceptable modes of behaviour become largely self-evident to its members. It is Zucker's conviction that this is essentially what organizational culture does. An understanding of what makes up an organization's culture and how it is created, sustained and learned, will facilitate the prediction and explanation of the behaviour of people at work. Thus within the Zimbabwean Financial services sector, the diversity of cultures is evident from how various institutions respond to market needs in terms of product diversity and robustness, customer service delivery and the value they place on their respective clientele.

SOURCES OF CORPORATE CULTURE

Thompson and Strickland (2003:420) assert that "the taproot of corporate culture is the organization's belief and philosophy about how its affairs ought to be conducted – the reasons why it does things the way it does". A company's culture is manifested in the values and business principles that management preaches and practices, in its ethical standards, and official policies, in its stakeholder relationships, the traditions the organization maintains, its supervisory practices, its employee attitude and behaviors, the legends people repeat about the happenings in the organization, peer pressures that exist, the organization's policies and in the "chemistry" and the "vibrations" that permeate the work environment. All these sociological factors, some of which operate subtly, combine to define an organization's culture. How distinct the various cultures of financial institutions are within the Zimbabwean financial services sector is also testimony to the uniqueness of business principles, ethical standards, supervisory practices, employee attitudes and behaviours.

According to Kotter and Heskett (1992:7) beliefs and practices that become embedded in a company's culture can originate anywhere: from one influential individual, work group, department or division, from the bottom of the organization hierarchy or from the top. In most cases, the bulk of the components of an organization's c culture originate with a founder or certain strong leaders who articulated them as a company philosophy or as a set of principles to which the organization should rigidly adhere or as company policies.

With the passage of time, these cultural underpinnings take root, become embedded in how the company conduct its business, come to be shared by the organization's managers and employees alike, and they are then perpetuated as new employees are encouraged to adopt and follow the professed values and practices. Thompson and Strickland (2003:425), however believe that fast growing companies risk creating a culture by chance rather than by design if they rush to hire employees especially for their technical skills and credentials while neglecting to screen out candidates whose values, philosophies and personalities are not compatible with the organization's character, vision and strategy being articulated by the company's founders and top management. This observation has been characteristic of most of the new/indigenous Zimbabwean financial institutions that have come onto the market with much hype and flamboyance, yet over a relatively short period of time they crumble and become a pale shadow of their very brief past.

HOW ORGANIZATION CULTURES FORM

Robbins (1993:614) summarizes how an organizational culture forms with the figure below. He concurs with Mullins who asserts that the original culture is derived from the philosophy of the organization's founders. It is also agreed among organizational theorists that the convictions and actions of an organization's current top management set the general climate of what is acceptable behaviour and what is not. The degree to which success is achieved in matching new employees' values to those of the organization in the recruitment and selection proves, coupled with top management's preference for socialization methods determine how the new employees are to be socialized.

Figure 2.1 How Organizational Cultures Form
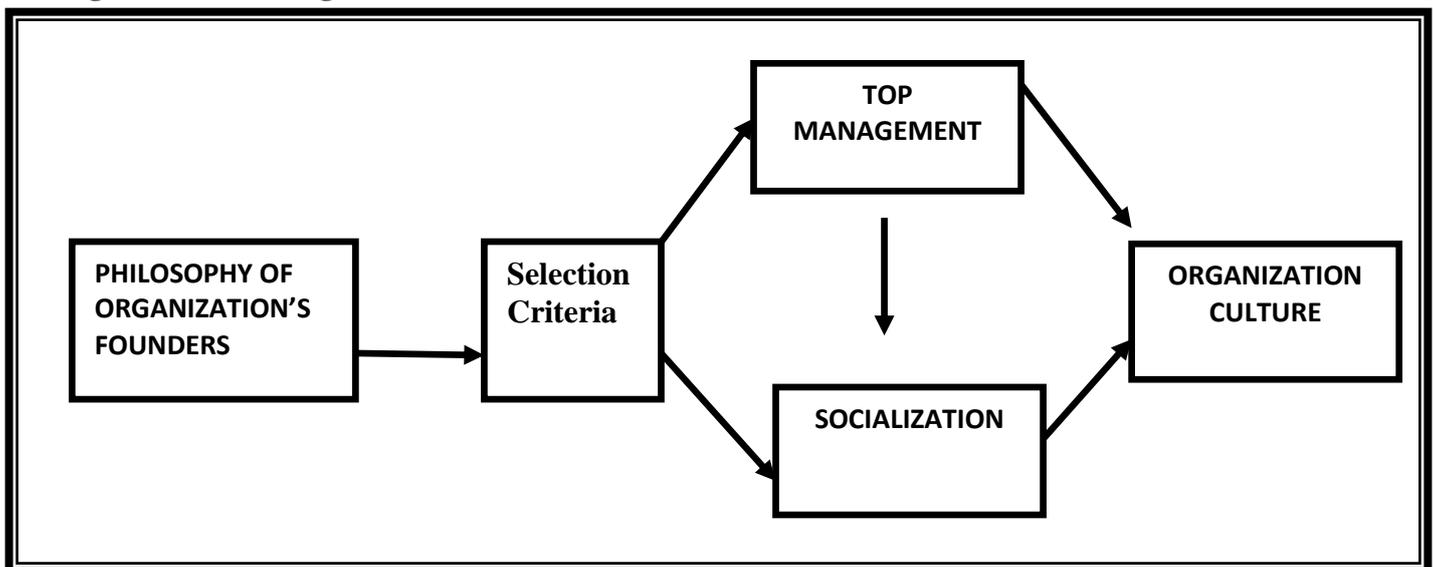
Source: **ROBBINS, S.P. (1993). Organizational Behaviour. New Jersey: Prentice Hall, pp 614**

INFLUENCES ON THE DEVELOPMENT OF CULTURE

Organizations develop over time in response to a complex of factors, which shape their culture and structures. Key influences that play an important role in the development of nay corporate culture include among other factors, history, primary function and technology, goals and objectives, size, location, management and staffing and the environment.

History-The reason and manner in which the organization was originally formed, its age, and the philosophy and values of its owners and first senior managers will affect culture. A key event in the organization's history such as a merger, acquisition, or a major restructuring, a new generation of top management may also bring about a change in the corporate culture. According to Mathison, (1992:8), corporate history can be an effective tool to assist a growth programme, and also to help integrate acquisitions and new employees by infusion with organization's culture and identity.

Primary Function and Technology – an organization's core business and primary function have an influence on its culture. This includes the range and quality of product and services provided the importance of reputation and the type of customers. The primary function of the organization will determine the nature of technological processes and methods of undertaking work, which in turn also affects structure and culture.

Goals and Objectives- The combination and resultant strategies will influence culture and may also be influenced by changes in organizational culture. The extent to which emphasis is placed on long-term sustainability, growth and development, the anticipation and management of risk and uncertainties and attention given to social responsibilities and some of the organizational objectives which influence corporate culture.

Size-rapid expansions or declines in size and growth rate, and the resultant changes strategies and staffing levels will influence structure and culture. Large organizations normally have formalizes structures and cultures whereas small to medium corporate have less formal structures and the culture is sometimes not very clear. As the organization grows in size, in most instances, the establishment of separate departments and possibly split-site operations inevitably accompanies such growth. This may also result in communication challenges and inter-departmental rivalries with the need for effective coordination, inadvertently the organization's culture.

Location- geographical location and physical characteristics can also impact on culture, for example, whether an organization is located in a quiet rural setting or a busy urban center. This can influence the types of customers, the staff employed, the nature of services provided, the sense of boundary and distinctive identity and opportunities for development.

Management and Staffing- top executives normally have considerable influence on the nature of an organization's culture. However all staff members help to shape the dominant culture of an organization, irrespective of what senior management feels it should be. The nature of staff employed and the extent to which they buy into management philosophy and policies also has a bearing on the organizations culture. Another important aspect of influence is the match between corporate culture and the employees' perception of the psychological contract.

The Environment – an organization's responsiveness to the external environmental influences also impacts on its culture. If an organization operates in a dynamic environment, for example, it requires a structure and culture that is sensitive and readily adaptable to change. An organic structure is more likely to respond effectively to new opportunities and challenges and risks and limitations presented by the external environment.
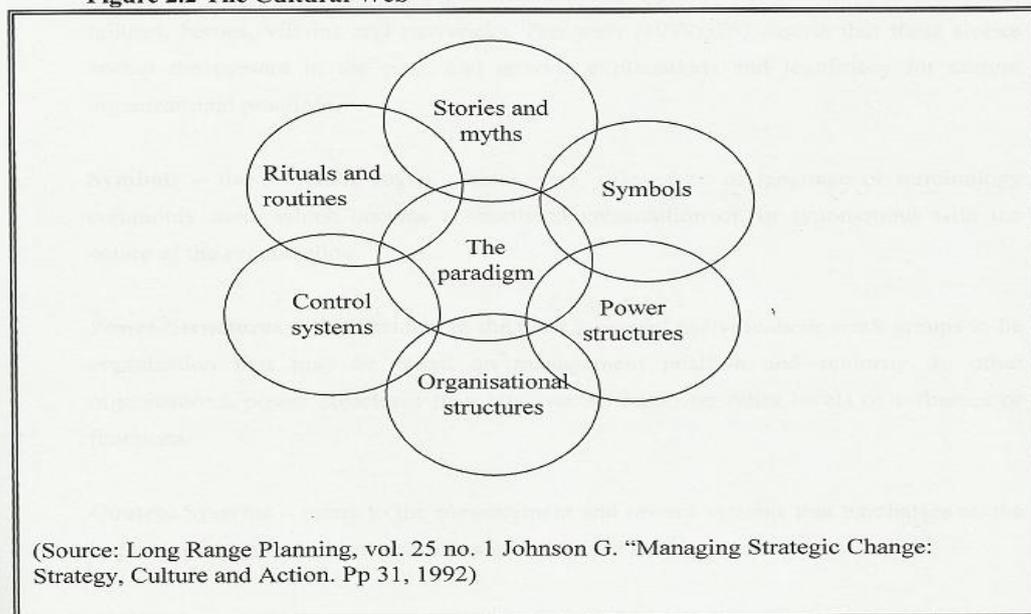
THE CULTURAL WEB

Johnson (1992:31) developed a cultural web, which brings together different aspects of an organization's culture that helps analyse and understand the different cultures organizations have.

Figure 2. below shows the cultural web as postulated by Johnson:-
Figure 2.2 The Cultural web

Figure 2.2 The Cultural Web

(Source: Long Range Planning, vol. 25 no. 1 Johnson G. "Managing Strategic Change: Strategy, Culture and Action. Pp 31, 1992)

Rituals – these are special events through which the organization emphasizes what is particularly important to organization efficiency and effectiveness. Robbins (1993:616) defines rituals as the repetitive sequences of activities that express and reinforce the key values of the organization, what goals are most important, which people are most important, which are expendable. Rituals may include both formal organizational processes and informal activities.

Routines – the conduct of organizational members towards each other or the external stakeholders, which define how things are done or how things should happen.

Stories – usually told by organizational members, which embed the present culture and flag up the important events and personalities and typically have to do with success, failures, heroes and mavericks. Pettigrew (1979:576) asserts that these stories anchor the present in the past, and provide and legitimacy for current organizational practices

Symbols – these include logos, offices, cars, titles of language or terminology commonly used, which become a shorthand presentation of, or synonymous with the mature of the organization.

Power Structures – thispertains to the mostpowerful individual's or work groups in the organization that may be based on management position and seniority. In other organization, power strictures may however be based on other levels of influence or functions.

Control Systems – refers to the measurement and reward systems that emphasize on the important things to monitor and focus attention and activity upon.

Organization Structure – reflects power structures and delineates important relationships and activities within the organization. It involves formal structure and control as well as the informal systems.

KEY CHARACTERISTICS DEFINING AN ORGANIZATIONS CULTURE

Becker (1982:513) Defines organizational culture as a system of shared meaning held by members that distinguishes the organization from other organizations'. Hofstede, Neuijen, Ohavy and sanders (1990:286), who share this view, assert that a closer examination of this system of shares meaning reveals that the system is a set of key characteristics that the organization values and these characteristics in aggregate capture the essence of an organization's culture:-

1. **Member identity** – this refers to the degree to which employees identify with the organization as a whole rather than with their type of job or professional expertise.
2. **Group Emphasis** – the degree to which work activities are organized around group rather than individuals.

3. **People Focus** – the extent to which management decisions take into account the effect on outcomes on people within the organization.
4. **Unit Integration** – the degree to which units within the organization are encouraged to operate in a coordinated or interdependent manner.
5. **Control** – The extent to which rules, regulations and direct supervision are used to oversee and control employee behaviour within the organization.
6. **Reward Criteria**– the degree to which salary increase and promotions are allocated according to employee performance rather than seniority, favoritism or other non-performance factors.
7. **Risk Tolerance**– The degree to which employees are encourages to be aggressive, innovative and risk seeking.
8. **Conflict Tolerance** – the extent to which employees are encouraged to air conflicts and criticisms openly.
9. **Means –ends Orientation** – the degree to which management focuses on results or outcomes rather than on the techniques and processes used to achieve those outcomes.
10. **Open-system Focus** – the degree to which the organization monitors and responds to changes in the external environment.

Hofstede *etal* (1990:286-316), further assert that these characteristics exist on a continuum and appraising an organization on these ten characteristics gives a composite picture of the organization's vulture. This picture becomes the basis for feelings of shares understanding that members have about the organization, how this is done in it, and the way members are supposed to behave. Mixing these characteristics can create highly diverse organizational cultures. The figure below shown the continuum on which these characteristics, that define organizational culture, exist:-

TYPES OF ORGANIZATIONAL CULTURE; FOUR MAIN TYPES OF ORGANIZATIONAL CULTURE

Organizational Culture can be classifies in a number of ways and Harrison (1972:119) describes four main types of organizational culture: power culture, role culture, task and person culture.

♦ **Power Culture**- depends on central power sources with rays of influence from the central figure throughout the organization. According to Mullins (2002:802) a power culture is usually found in small entrepreneurial organizations and relies on trust, empathy and personal communications for its effectiveness. Control is exercised from the center by a selection of few individuals, there is little bureaucracy and there are a few rules and regulations. Power culture also characterizes political organizations with decisions taken largely on the balance of influence.

♦ **Role Culture**- is often stereotyped as a bureaucracy and works by logic and rationality. Role culture on the strength of strong organizational "pillars"- the functions of specialists, for example in finance, accounting, purchasing and production. The work of and interaction of these pillars is governed by rules and regulations and controlled by a small group of senior managers. The role or job description is often more important than the individual and position power is the main source of power.

♦ **Task Culture** – is job oriented or project oriented. The task culture seeks to bring together the right resources and people and utilizes the unifying power of the group. Influence is widely spread and depends more on expert power than on position or personal power.

♦ **Personal Culture** – the individual is the central focus and any structure exists to serve the individuals within it. For example, when groups of people within the organization decide that is within their power to band together and do their own thing, share their office space, equipment and other resources, the resulting organization will have a person culture.

Mullins (2002:803) further asserts that every organization has its own unique culture and most large organizations are a mix of cultures with examples for each of the four types in varying areas of the organisation.

## ANALYSIS AND INTERPRETATION OF RESULTS

An average of 92% of the respondents asserted that their organizations had clearly communicated visions, missions and values, which is a positive contribution towards the building and sustenance of a strong and unique corporate culture. The bulk of the financial institutions are very clear about these fundamentals, which form the bases of both corporate culture and organizational strategy. It has however been noted from the responses that there is such a diversity of values among financial institutions, which probably explains the uniqueness of cultures. Integrity, honesty and professionalism, however featured as some of the most common values among different financial institutions.

CULTURES AND CHANGE MANAGEMENT

Responsiveness to the ever changing environment and alertness to new opportunities in the market are some of the factors that reflect how well or otherwise an organization is managing change. Change management has been defined as the planning, implementation and control of intentional and goal oriented activities designed to make things different in the organization. This requires anticipating developments and proactively preparing and the position of the organization such that when opportunities arise, there is swiftness in jumping onto them to create competitive advantage and optimize organizational performance.

At least 61% of the respondents' indicated that their organizations were very responsive to changes in the environment. The other 28.8% comprises those respondents whose organizations are neither responsive nor passive but probably just wait to see how things go and then flow with the tide. The results generally indicate that the bulk of the financial institutions are responsive, anticipate and prepare for change and are always ready to take up new opportunities that arise in the market. The chart below summarizes the responsiveness to environmental changes and alertness to new opportunities.

ORGANIZATIONAL RESPONSIVENESS TO CHANGING CONDITIONS IN THE ENVIRONMENT AND ALERTNESS FOR NEW OPPORTUNITIES
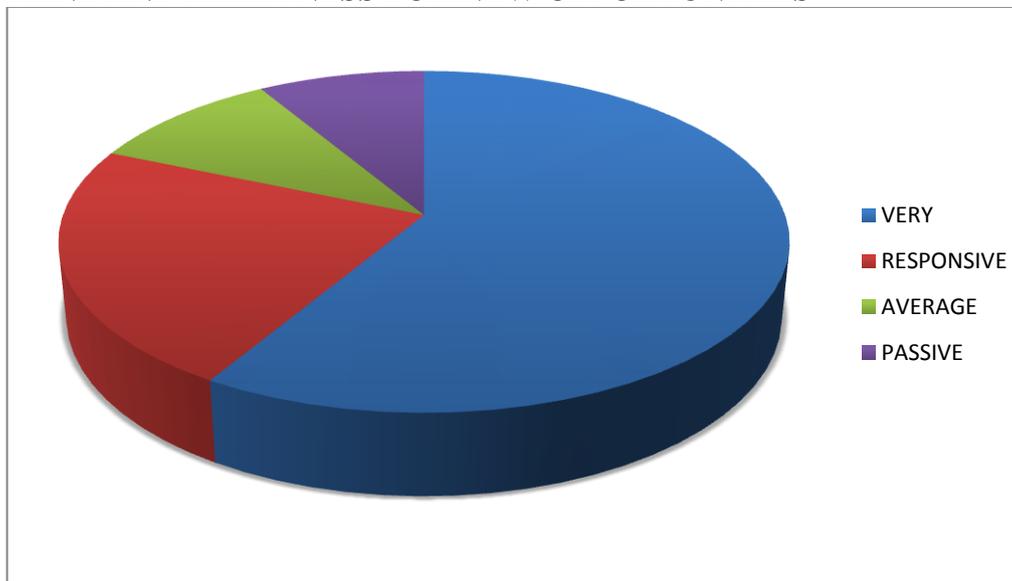
Chi-Square Tests for independence between organizational culture and responsiveness to environmental changes

	Value	df	Asymp.Sig (2 –sided)
Pearson Chi-Square	14.923	12	.246
Likelihood Ratio	17.617	12	.128
Linear-by-Linear			.745
Association	.106	1	
No. of Valid Cases	59		

The Pearson Chi-squared value of 14.92 is larger than the critical value of 0.246. It can thereforebe concluded that there is an association between the organization's culture and responsiveness to environmental changes. Organizations generally have to be flexible in strategic planning to enhance adaptability to the ever changing operating environment. This is typical of the bulk of the young and dynamic financial institutions in this industry. Whenever there are changes in the environment, there is swiftness in realigning strategies to cope with any such change, which probably explains why the bulk of the financial institutions have, continues to post super profits in spite of the harsh economic environment and stringent regulatory policies that govern the Zimbabwean operating field.

CULTURE AND ORGANIZATION DEVELOPMENT

The value of culture in organization development was analyzed in relation to a number of variables, which included risk orientation, innovation, aggression and management styles. The greater the correlation between these variables and organizational culture, the better the organization is inclined towards superior performance.

Chi-Square Tests for Independence between Organizational Culture and Risk Orientation

	Value	df	Asymp.Sig (2 –sided)
Pearson Chi-	5.170	6	.522
Likelihood	6.096	6	.413
Linear-by-			
Association	.677	1	.411
No. of Valid Cases	40		

The Pearson Chi-squared value of 5.17 is larger than the critical value 0.522, A conclusion can therefore be drawn that there is an association between the organization's culture and risk orientation. The notion that "no risk no return" seem to be confirmed by this relationship. Risk in this industry however has to be very calculated otherwise taking certain risks blindly can lead to serious financial catastrophes, regulatory penalties and in worst cases withdrawal of operating licenses.

Chi-Square Test For independence between organizational culture and Innovation

	Value	df	Asymp
Pearson Chi-	8.197[a]	6	.224
Likelihood	11.67	6	.070
Linear-by-			
Association	.449	1	.503
N of Valid	55		

The Pearson Chi-Square value of 8.19 is larger than the critical value of 0.224, and a conclusion can be drawn that there is an association between the organization's culture and innovation. Young dynamic organizations in the financial service sector are the ones that have been leading the pack in unraveling new products and services, as they encourage their employees to be innovative. Innovation helps organizations create a competitive over other players in the same industry, especially the financial services sector where the products and services are largely generic. What would then make a difference is the packaging and excellence of delivery, which is what, requires innovation.

Chi-Square Tests For independence between organizational culture and aggression

	Value	df	Asymp
Pearson Chi-	12.60[a]	3	.006
Likelihood	14.88	3	.002
Linear-by-			
Association	.002	1	.963
N of Valid	45		

The Pearson Chi-squared value of 12.60 is larger than the critical value of 0.06, and it is therefore evident that there is a correlation between the organization's culture and aggression. Hofstede *etal*(1990:286-316) cites risk –tolerance as one of the ten primary characteristics that capture the essence of an organization's culture, and the elements of risk tolerate include aggression and innovation and risk seeking. the research findings therefore confirm the relationship that exists between an organization's culture and the extent to which employees are encouraged or allowed in the organization's marketing strategies, measured but the extent to which organizations spend time, money and other resources aggressively marketing their products and services. The degree of aggression would depend on the organization's culture, whether it is conservative or outgoing.

Chi-Square for the relationship between organizational culture and management style.

	Value	df	Asymp. (2-
Pearson Chi-	15.15 [a]	9	.087
Likelihood	17.65	9	.039
Linear-by-			
Association	4.481	1	.034
N of Valid	56		

The Pearson-Chi-squared value of 15.15 is larger than the critical value of 0.0087, we therefore conclude that there is an association between the organisation `s culture and management style. As earlier on revealed in the literature review, founders and senior management in most organizations hold the philosophies and ideals that form the basis for an organization's culture and they are also the one who set the precedent for the type of management style that is largely exercised in particular organization. These assertions are confirmed by the correlation between an organization's culture and management style that has been exhibited by the analysis of these findings. The bulk of these respondents (46%) cited democratic management as the style predominantly used in most of the financial institutions. The organization's culture normally sets the tone for the type of management style that is largely practiced in the organization. Practicing any other management style that is not in line with the organization's culture may be faced with resistance, and eventually failure by the manager and the business he/she will be leading.

CULTURE AND HUMAN RESOURCE DEVELOPMENT

The application of all human resources management interventions must always take into account the application the organization's culture. Where recruiting the human resources practitioner over and above considering the requisite qualifications, experience and general aptitude, is also supposed to ascertain that the chosen candidate fits well into the corporate culture.

Lack of cultural fit can affect individual performance, inadvertently impacting on both group and corporate performance. Where the best of the available candidates may not have the ideal personality to fit well into the organization's culture, there is always need for intensive induction/orientation program, which will allow the new employee to settle well among the existing team members. The aspect of employee mobility in the financial services sector therefore has to be analyzed in light of these challenges that are associated with replacing employees that would have left the organization. The various factors that influence employees decisions to move from one organization to another need to be seriously addressed because, the more frequent employees change jobs, the more the uniqueness of an organization's culture is distorter. As people join new organizations, there is sometimes a great temptation to carry with them the culture of the organization they have just left and the process of unlearning the old culture and adapting to the new one can take some time. Meanwhile the productivity of such employees is not maximized because they are not yet fully acquitted with "how we do things here"-the new culture.

Frequencies on Factors affecting employee mobility

	Frequency	Percentage	Valid Percentage	Cumulative Percent
Valid Better Salary	6	10.2	10.3	10.3
Availability of Loans	15	25.4	25.9	36.2
Other Fringe Benefits	3	5.1	5.2	41.4
Job Security	22	37.3	37.9	79.3
Challenge and Satisfaction	5	8.5	8.6	87.9
All the above	2	3.4	3.4	91.4
2,3,&4	2	3.4	3.4	94.8
1,2,3&4	1	1.7	1.7	96.6
3&4	2	3.4	3.4	100.0
1,2&4	58	98.3	100.0	
Total	1	1.7		
Missing System Total	59	100.0		

Out of the total 59 respondents, 22 (37%) indicated that their major reason for changing jobs, moving from one organisation to another was the issue of challenge and job satisfaction. the reason which rated second, constituting 25% of the responses was the availability of loans and other fringe benefits. The other 38% comprised people who considered all the factors or more than just one factor. It is therefore evident that while job satisfaction and the element of challenge are critical in changing job, one of the key attractions in this industry is availability of loans fringe benefits.

Chi-Square Tests for independence between factors for moving jobs and frequency of job movement.

	Value	df	Asymp. (2-
Pearson Chi-	36.41 [a]	32	.270
Likelihood	32.36	32	.449
Linear-by-Association	0.99	1	.753
N of Valid	48		

The Pearson Chi-square value of 36.41 is greater than the critical value of 0.270, hence a conclusion can be drawn that there is association between employee mobility and the factors that have been cited as driving forces behind moving from one job to another. Managing and containing employee mobility therefore entails addressing the factors that influence these movements, which means building and sustaining a culture that enhance employee loyalty, motivation and productivity.

CULTURE AND BUSINESS ETHICS

Frequencies on statements that best describe organizational culture

	Frequency	Percentage	Valid Percentage	Cumulative Percent
Valid Organization members make own initiative, think act	5	8.5	8.5	8.5
The organization much Emphasis complying with regulations recommend procedure	34	57.6	57.6	66.1
The organization Emphasizes teamwork	16	27.1	27.1	93.2

Senior Management Surround themselves With "yes men"	4	6.8	6.8	100.0
Total	59	100.0	100.0	

It was noted that 57.6% of the respondents described their institutions as organizations that place much emphasis on complying with rules, regulations and recommended procedures. This observation typically characterizes the financial services sector by virtue of being an industry that has witnessed the collapse of number of players owing to slack adhere to policy. The Reserve Bank of Zimbabwe, being the custodian of the Banking Act and other regulatory policies and procedures, has over the years instituted a number of stringent registration and operating guidelines and policies for the financial institutions

Out of the 59 respondents, 27% indicated that their organisation emphasize teamwork. There is very limited scope of acting independently and making much of your initiative within this industry as responses received only indicated that 8.5% of the respondents had some level of autonym in decision making, thinking and acting independently.

With the insistence by the Reserve Bank of Zimbabwe that major shareholders should no longer hold executive position, a culture of senior management surrounding themselves with "yes men" is slowly falling away. Appointments to position and promotions are now based more on merit than on who is the paymaster`s "blue-eyed boy", hence the low response rate 6.8% on organizations that have a culture surrounding senior executives with people who always dance to their tune, sometime at the expense of the overall corporate performance and long term existence and sustainable of the whole organization.

Frequencies on Ethical Business Conduct

		Frequency	Percentage	Valid	Cumulative
Valid	No	4	6.8	7.1	7.1
	Average	23	39.0	41.1	48.2
	Great	29	49.2	51.8	100.0
	Total	56	94.9	100.0	
Missing	System	3	5.1		
Total		59	100.0		

A strong corporate culture founded on ethical business principles and moral values is a vital driving force behind continued strategic success. Lacking care of how an organisation does business may put its reputation at stake and ultimately performance is negatively affected. The results of this research indicated that 49% of the organizations place great emphasis on ethical business conduct .39% represents those organizations whose emphasis is considered as average. It is however important to note that the bulk of the financial institutions take cognizance of the role played by ethical business conduct on corporate image and positive impact on performance .Corporate ethics and values are typically the underpinning pillars for creating an environment conducive for superior performance. Moral values and high ethical standards nurture the corporate culture in a very positive way; they connote integrity and genuine concern for all stakeholders.

SUMMARY OF MAJOR FINDINGS

Employee Mobility In The Financial Services Sector

The Zimbabwean business environment continues to be dynamic and complex and so are the needs of the general populace of the nation. People`s lives continue to be more and more sophisticated and coping with change and this sophistry requires that certain resources be at one's disposal. It is against this background that employees in the financial services sector continue to be highly mobile in search for greener pastures; better salaries , availability of housing , motor vehicle, personal and study loan, and other fringe benefits. This mobility of employees has carried with it a transfer of cultures from

one organisation to the other and a diversity of cultures within one organisation is not ideal for superior organizational performance. Different interpretations of "how we do things here" is a sure recipe for confusion in the organisation hence the need to recruit and retain employees who have the ideal cultural fit. The research revealed that the highly mobile employees are those below the age of 40, who are still in the prime stage of mapping out and establishing their career paths, and paths and therefore always seek to maximize on available opportunities.

Corporate Culture Influences Strategic Management

The research asserts that there is a link between corporate culture and strategic management. The formulation, implementation, evaluation and control of the organization's strategy should be done within the confines of the organization's culture. Corporate culture creates the environment within which strategy is executed and it is important that organisation establish the ideal fit between culture and strategy.

Corporate Culture Impacts Change Management

Corporate culture has an impact on the management of change. Most financial institutions that have exhibited exceptional performance are those that are flexible and adapt quickly to changes in the operating environment. Pro-activeness in anticipating and planning for change should be part corporate culture in the dynamic and competitive environment

Corporate Culture and Human Resources Development

This research established the existence of a correlation between corporate culture and some human resources management strategies. The recruitment and selection of employees is more than assessing the candidate`s aptitude, qualifications experience, but also entails the appraisal of the candidate`s cultural background to ascertain whether it fits well into the organization's culture.

Ethical Business Conduct Is Part of Good Corporate Culture

One of the findings of this research is the relationship between culture and ethical business conduct. Strong cultures that are supportive of good organizational performance and reinforced with the codification and practice of good ethical behavior. Organisations have various ways of enforcing ethical business practices, either through heavily relying on word of mouth indoctrination and the power of tradition to instill values or through written communication of values and code of ethics in annual reports, websites and code of ethics manuals distributed to all employees.

CONCLUSIONS

This research confirms the impact of employee mobility on organizational culture and the subsequent influence that culture has on organizational performance. The impact of culture on organizational performance has been analyzed in relation to how culture influences different strategic interventions that determine how organisationsperformance.Most financial institutions have unique organizational cultures that have been crafted to create the ideal environment for optimizing organizational performance but the movements of employees from one institution to another has inevitably resulted in transfer of culture, in the process interfering with the uniqueness of these cultures.

The investigation further asserts the need to effectively manage all strategic interventions within the context of corporate culture basically defines how organizations do business; "*the collection of traditions , values , policies , belief and attitudes that constitute a pervasive context for everything we do and think in an organization*"(Mullins 2002:802)

RECOMMENDATIONS

Effective Management of Factors Determining Employee Mobility

It is incumbent upon all financial institutions to formulate and implement strategies that are designed to increase loyalty, motivation, and job satisfaction. Such strategies should also have the simultaneously effect of minimizing reasons for employees to leave the organisation hence maintaining high staff retention and very low staff turnover levels. This may entail the reinstatement

of housing loans, which have since been frozen with the bulk of the financial institutions, creating and maintaining conducive work environments and other reward and employee development strategies that may increase retention levels. An effective management of the factors that influence employee movement from one organisation to another will go a long way in sustaining the uniqueness of the organization's culture hence maintaining an atmosphere that is conducive for optimizing organizational performance.

Creating A Strong Fit Between Culture And Strategy

Financial institutions need to create a strong fit between corporate culture and strategy. Strong cultures promote good strategy execution when there is a proper fit but may prove to be an obstacle if there is a little culture-strategy fit. A strong strategy- supportive culture nurtures and motivates employees to do their jobs in ways conducive to effective strategy execution. It provides structures, standards and a value in which employees strongly identify with the organization's vision, mission, values and objectives.

Developing and Sustaining Change – Oriented Corporate Cultures

In light of the volatility of the Zimbabwean economy and the banking industry in particular, financial institutions need to develop and sustain change- oriented cultures. The need for responsiveness to changes in the environment and alertness for new opportunities cannot be over emphasized. The banking clientele continues being sophisticated and more demanding when it comes to product and service delivery. Financial, institutions therefore need to have cutting-edge innovation, aggression as they anticipate, plan for and respond to market changes.

Incorporating Culture In Corporate Culture

All human resources management interventions; recruitment and selection, training and development, employee relations, reward management, motivation, employee career development among others need to be implemented within the confines of an organization`s culture. In light of the high employee mobility that characterizes the industry, employees have gone through a myriad of cultures and assuming that one can just join an organisation and automatically cope with its culture will be futile. It is therefore necessary for organisations to focus on culture in their induction and orientation as well as training and development programmes. While the core of an organization`s culture may remain stable over fairly long time frames, the dynamism and volatility that characterizes the banking industry would require that organisations continually reinforce the values, principles and philosophies that define the organization`s culture though continuous training

Building Ethics in Corporate Culture

The lack of adherence to ethical business conduct and poor corporate governance has seen the financial services sector going through turbulence, which resulted in the collapse and a number of organizations during the crisis of the years 2003-2004. It is therefore recommended that all organizations in this industry make a deliberate effort of building good business ethics into their corporate cultures. A code of ethics serves as a cornerstone for developing a corporate conscience (Jackson and Thompson 1994:28). Issues that can comprise a code of ethics include honesty and observance of the regulatory and policy requirements, conflict of interest, fairness, insider trading, supplier relations and procurement practices, corruption and protection of proprietary information, among other factors. Organizationstherefore need to develop and enforce codes ethics, which emphasize the need for ethical business conduct.

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