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Analyzing The Complexities Of Managerial Decision-Making In Establishing A New Bank Branch: Key Factors And Challenges – A Case Study Of Zanaco Bank PLC

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Abstract:
This study analysed the complexities of managerial decision-making in establishing new bank branches at Zambia National Commercial Bank (Zanaco) PLC, Zambia's largest commercial bank. Although Zanaco has a comprehensive network of 63 branches and continues to expand access to its services both in urban and rural regions, the decision-making of new branch establishment is understudied. The research investigated the critical factors driving branch establishment decisions and proposed recommendations to enhance decision-making effectiveness.
***Background**: Zanaco PLC is the leading financial institution in the country that has managed to dominate the market by strategically expanding its branches and at the same time promoting a digital channel and financial inclusion agenda. The decisions of establishing a new branch involve trade offs between the market opportunities, resource availability, regulatory needs, and the changing tastes of the customers in a competitive and economically dynamic world. Although the bank is growing and has become significant in the country, there is a lack of research on the particular managerial processes, key factors, and issues that inform these decisions. This disconnection is more so applicable in the context of Zambia, whereby the physical branches still remain at the heart of trust-building, service delivery, and access to underserved populations in the era of unprecedented digital transformation.*
***Materials and Methods**: The research design used in the study was a mixed-methods design, which combined both quantitative and qualitative methods to provide an in-depth insight. A total of 109 managerial employees of Zanaco Bank PLC who participated in branch expansion planning were used to conduct structured questionnaires and 90 valid responses were obtained (82.6% response rate). The descriptive statistics, ANOVA, and one-sample tests were used to analyze quantitative data to estimate the perceived significance of different factors and challenges. The selected senior managers were interviewed in semi-structured interviews to delve deeper into the subject of strategic rationale, risk management practices, and institutional challenges. Thematic analysis of qualitative data was done. This two-fold strategy allowed finding triangulation, both quantifiable trends and subtle contextual information.*
***Results**: The study found that market demand and customer demographics were the primary drivers of branch location decisions. Proximity to underserved areas was moderately influential in support of financial inclusion goals. Operational logistics and internal budgeting constraints emerged as the most significant challenges, followed by high startup costs and regulatory compliance requirements. Market research and local economic activity strongly shaped location choices, while customer behavior was also influential but secondary to broader market indicators. Risk assessments and scenario planning were the most valued risk management strategies, supplemented by managerial discussions, though departmental variations and limited emphasis on proactive mitigation were observed. Thematic analysis revealed customer-focused decision-making, effective market research, efficient regulatory procedures, operational readiness, and alignment of strategy to be key areas of concern to be improved.*
***Conclusion:** Overall, the study concluded that the managerial decision-making process of Zanaco in regards to branch expansion is largely customer-centered and data-driven, successfully covering the high potential areas and being aligned with the priorities of the financial inclusion in Zambia. Nevertheless, more focus on competitor surveillance, availability of skilled labor, standardized risk measures, and enhanced incorporation of direct customer response may enhance sustainability in the long term. The operational and regulatory issues indicate the necessity of more efficient resource distribution, inter-departmental communication, and adaptive approaches in the changing banking environment in Zambia. A sustainable growth will necessitate the move towards more inclusive, standardized, and strategic aligned procedures which will compromise the short-term financial sustainability with the long-term market positioning and the development of the nation. The recommendations outlined, including creating a customer insights team, investing in state-of-the-art market tools, optimizing regulatory engagement, improving operational preparedness, strategic alignment, and standardizing risk*

management can go a long way in enhancing the effectiveness of decision-making and branch network performance.

***Key Word**: Bank Branch Expansion; Managerial Decision-Making; Zanaco Bank PLC; Market Demand; Risk Management; Operational Challenges; Regulatory Compliance; Financial Inclusion; Location Strategy*

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I. Introduction

The banking sector in Zambia has experienced a significant transformation in the past few decades due to economic liberalization, heightened competition, digitalization, and national agendas regarding financial inclusion. Zanaco PLC is the largest and oldest commercial bank in the country and has been able to maintain its leadership in the market by increasing the size of its physical branch network and at the same time investing in digital distribution channels like Xapit mobile banking and Zanaco Xpress agency banking (Zanaco, 2023; FinTech Magazine, 2023). The creation of new branch offices involves complicated management choices that are based on financial sustainability, operational feasibility, regulatory adherence, market need, customer demographics, and risk exposure in an emerging-market situation that is defined by economic instability, infrastructural limitations, and changing customer preferences (McKinsey and Company, 2021; Deloitte, 2020).

Although Zanaco has a large footprint of 63 branches, 187 ATMs, and more than 32,944 agency points with a customer base of about 3.8 million, the procedures and standards used to make decisions on opening new branches have not been well researched. Branch expansion remains a key component in the development of customer confidence, the delivery of services to the under-served communities, and the promotion of the financial inclusion agenda in Zambia, despite the rapid growth of digital adoption (Bank of Zambia, 2017; Zanaco, 2023). However, the well-known high capital requirements, compliance obstacles, operational intricacies, and competition incurred in the establishment of a branch are a significant challenge, especially in a market where wrong location decisions can result in severe financial underperformance (Deloitte, 2020).

This scenario poses significant issues regarding the effectiveness and strategic fit of decisions to expand branches. Do the managerial decisions sufficiently reflect on the local market realities, customer needs, and long-term sustainability factors or are they overly determined by the short-term financial goals and outside standards? Banking strategy literature in the emerging economy has long been focused on the significance of context-specific and data-driven decision-making that incorporates internal capabilities with external market and regulatory forces (McKinsey and Company, 2021; Bank of Zambia, 2017). Ineffectively coordinated expansion initiatives jeopardize misplaced resources, lower profitability, and lack of opportunities to expand financial inclusion in the growth corridors of urban and rural regions.

It is against this background that the current study explored the key factors and issues that influence the managerial decision-making in the new branch establishment at Zanaco Bank PLC. Based on the views of the managerial personnel engaged in expansion planning. This the study explores some of the key drivers (market demand, customer demographics, resources availability), the key challenges (financial, operational, and regulatory), the significance of location-specific factors, and the risk management strategies adopted. The results give insight into how one of the most successful financial institutions in Zambia manages to overcome these complexities and present the recommendations that can be applied to achieve the effectiveness of decision-making processes.

In essence, Zanaco has had a consistent leadership and continuous expansion of its branches network, but the processes, factors, and challenges of continuous expansion of new branches have not been adequately recorded. The research aimed to fill this gap by discussing management experience and strategic planning in Zanaco and how these findings can be applied to enhance the practice of branch expansion within the banking sector in Zambia and to the existing discourse on sustainable development and the inclusion of financial services in the emerging markets.

II. Material And Methods

The study adopted a mixed-method approach carried out at Zanaco PLC, in the period between January 2024 and December 2025. The study was conducted on managerial personnel in the planning and decision-making of expanding the branches within the headquarters of the bank in Lusaka and in selected branches.

Study Design: A case study integrated with a concurrent mixed-methods strategy were employed in this study. The case study design facilitated in-depth examination of real-world managerial decision-making processes for new branch establishment within their organizational and national context (Yin, 2014). The mixed-method approach was conducted simultaneously using quantitative surveys and qualitative semi-structured interviews that are gathered and analyzed simultaneously to allow triangulation and in-depth understanding (Creswell and Plano Clark, 2018).

Study Location: Zambia National Commercial Bank (Zanaco) PLC, headquartered in Lusaka, Zambia. Data collection occurred primarily at the head office (where strategic decisions are centralized) and selected branches representing urban (e.g., Lusaka, Kitwe) and rural/peri-urban (e.g., Choma) contexts to capture diverse market dynamics and operational realities (Zanaco, 2023; Bank of Zambia, 2017).

Study Duration: January 2024 to December 2025.

Sample size: The number of respondents anticipated to be 109 in the target sample was calculated using the formula of finite population given by Yamane (1967):

$n = N / [1 + N(e)^2]$

Where:
N = size of the population (150 managerial staff)
e = margin of error (0.05, which corresponds to 95% level of confidence)

This yielded $n \approx 109$. A total of 90 valid questionnaire answers (82.6% response rate) and 12 semi-structured interviews with senior managers were obtained as the final achieved sample.

Subjects & selection method

Purposive stratified purposive sampling was used. The three functional groups were senior executives, branch managers and operational/strategic planners. The purposive selection of the participants was done in every stratum according to the documented engagement in the recent or current branch expansion efforts such that the information-rich cases are in accordance with the study goals (Yin, 2014; Creswell, 2014).

Inclusion criteria

1. Recent or recent (less than 5 years old) experience in branch expansion planning or decision-making in Zanaco Bank PLC.
2. Having a managerial job (senior executive, branch manager, operations/strategy planner).
3. Can and willing to make informed consent.

Exclusion criteria

1. Non-managerial staff.
2. Employees who have not been recorded to have participated in making decisions related to expansion of the branches within the past five years.
3. Individuals unwilling or unable to participate due to scheduling conflicts or other personal reasons.

Procedure methodology

Written informed consent was obtained after obtaining ethical approval of the University of Zambia Biomedical Research Ethics Committee and the consent of the participants of Zanaco Bank PLC management. The study participants were given an elaborate information sheet that explained the study purpose, procedures, voluntary nature of participation, confidentiality and right to withdraw without repercussions.

Structured questionnaires were to be distributed electronically through secure emails and in person during scheduled meetings at the head office and specific branches. The non-respondents were sent follow-up reminders after one week to ensure that most of them participated. The questionnaire was divided into two parts, the demographic/professional background, and the Likert-scale items on the perceived importance of decision factors (e.g., market demand, customer demographics, infrastructure availability, competition) and challenges (financial, operational, regulatory). The answers were gathered in an anonymous manner using unique codes so that they would be confidential.

Certain senior managers (selected purposely through a snowballing of the first contacts and organizational records) were scheduled to have semi-structured interviews (12). The interviews were also done in person or through secure video conferencing, with the duration ranging between 45 and 60 minutes, and were recorded audio-taped with prior permission. Open-ended interview questions were part of an interview guide that investigated the strategic rationale behind the expansion, risk management practices, institutional challenges, and lessons learned during past expansions. Field notes were used to record non-verbal and contextual observations. All verbatim transcription was done in 48 hours after the interviews were completed.

The secondary data (annual reports, branch performance indicators, regulatory filings) were collected using publicly available sources and internal archives of Zanaca (with permission) to put the primary findings in perspective. The data were collected simultaneously: questionnaires were conducted initially to reveal general trends, and the specific interviews were conducted then to develop the themes revealed in the questionnaire. All data were stored in encrypted and password-secured devices which could be accessed by the research team only.

Statistical analysis

The structured questionnaires with quantitative data were analyzed with SPSS version 27 (IBM Corp., Armonk, NY). Means, standard deviations, frequencies, percentages as descriptive statistics were calculated to describe the responses regarding some of the most important variables e.g., perceived importance of factors and challenges. Inferential statistics were:

- One-sample t-tests to test differences in mean scores with the neutral point on the 5-point Likert scale (3.0).
- One-way ANOVA to test the differences in perceptions between the levels of managers (senior executives, branch managers, operational planners) with post-hoc tests in Tukey HSD where significant.
- Pearson correlation analysis to determine the connection between independent (e.g., market demand ratings) and dependent (e.g., perceived decision effectiveness) outcomes.

The statistical significance was fixed at $P < 0.05$. Normal and non-parametric tests (Mann-Whitney U or Kruskal-Wallis tests) were used where Shapiro-Wilk tests were violated. Cronbach's alpha was calculated to assess internal consistency of Likert-scale items (target ≥ 0.70).

Interpretative data contained in interview transcripts was analyzed thematically according to Braun and Clarke (2006). Transcripts were read multiple times to familiarize with them, and coded inductively (data-driven) and deductively (based on Theory of Planned Behavior and Resource-Based View frameworks), and, finally, sorted into themes with the help of NVivo software. Themes were read, edited, and compared to each other. Triangulation involved both quantitative and qualitative results to promote the validity and strength of conclusions.

Validity and Reliability: Content and construct validity were ensured through literature-based instrument design, expert review, and alignment with theoretical frameworks. Pilot testing (n=10) refined questionnaire clarity and interview guide flow. Reliability was supported by Cronbach's alpha for scales, standardized protocols for data collection, and inter-coder agreement checks on a subset of qualitative data (≥80% agreement). Triangulation, member checking (summary feedback to select interviewees), and detailed audit trails strengthened credibility.

III. Result

The chapter outlines the most important conclusions based on 90 valid questionnaire answers (82.6% response rate of 109 targeted managerial staff) and 12 semi-structured interviews carried out in Zambia National Commercial Bank (Zanaco) PLC. The sample of respondents included a balanced gender representation with most of them being mid-career professionals (mostly aged 35-44 years) working in the core areas of the company like Retail and Operations and an extensive range of experience. These traits guaranteed a variety of but representative views on the decision-making on the expansion of the branches. The results are organized by the study's specific objectives, with descriptive statistics, inferential tests (ANOVA, Pearson correlation), and thematic analysis presented below.

Critical Factors Influencing Branch Establishment Decisions

Table no 1 shows the highest ratings were obtained in market demand and customer demographics (means >3.6) and negative skewness, which means that the participants are in agreement on their primacy. The distance to underserved locations had an intermediate impact, whereas the competition and the proximity to skilled staff were rated lower, implying secondary importance on the site selection procedure at Zanaco. The scale showed high internal consistency (Cronbach's $\alpha = 0.887$).

Table no 1: Descriptive Statistics for Critical Factors (5-point Likert scale)

Variable	N	Mean	SD	Skewness
Market demand influences new branch location	90	3.69	1.598	-0.741
Customer demographics crucial in site selection	90	3.67	1.332	-1.227
Proximity to underserved areas influences choice	90	3.26	1.286	-0.558
Competitor presence affects location decision	90	2.76	1.174	-0.062
Availability of skilled labor influences location	90	2.30	1.418	0.660

Financial, Operational, and Regulatory Challenges

Table no 2: The highest in the overall ranking was operational logistics and internal budgeting was nearly at the same point. ANOVA showed that there was a significant difference in the years of experience of internal budgeting, regulatory requirements, and efficiency of the approval process ($p < 0.001$), and more experienced respondents perceived them as more of a barrier, probably because of higher exposure to the processes of strategy and compliance.

Table no 2: Descriptive Statistics and ANOVA by Years of Experience for Challenges

Variable	Mean	SD	F (Between Groups)	Sig.
Operational logistics are major constraints	3.91	1.177	1.787	0.156
Internal budgeting significantly affects planning	3.73	0.832	25.604	<0.001
High startup costs limit branch expansion	3.56	1.082	2.013	0.118
Approval process from regulators is efficient	3.56	1.431	79.986	<0.001
Regulatory requirements cause branch opening delays	3.42	1.430	8.479	<0.001

Customer Demographics and Market Demand in Location Decisions

Table no 3: The ratings of all the factors were statistically significant ($p < 0.001$), and the effect sizes were very large. Most influential were market research and local economic activity. The positive correlations with perceived decision effectiveness ($r = 0.478$-0.682, $p < 0.001$) are strong enough to suggest that the quality decisions on the placement of the branches are strongly predicted by the strong market analysis and economic assessment.

Table no 3: One-Sample Statistics, Tests, and Pearson Correlations

Variable	Mean	SD	t	Sig.	Cohen's d	Correlation with Perceived Decision Effectiveness (r)
Market research precedes branch location selection	4.22	0.992	40.385	<0.001	4.257	0.682**
Local economic activity indicates market potential	4.12	0.992	39.406	<0.001	4.154	0.631**
Understanding customer behavior guides placement	3.87	0.939	39.084	<0.001	4.120	0.559**
Customer feedback considered in expansion decisions	3.61	1.196	28.635	<0.001	3.018	0.478**
**p < 0.001						

Risk Management Strategies

Table no 4: The highest ratings were given to risk assessment and scenario planning. There were high levels of significant differences between departments ($p < 0.001$) in all strategies with the highest rating being made by the analytical departments (e.g., Finance, Operations) than the customer facing units, which implies that more standardization is required.

Table no 4: Descriptive Statistics and ANOVA by Department

Variable	Mean	SD	F (Between Departments)	Sig.
Risk assessments conducted before expansion	4.18	0.978	54.173	<0.001
Scenario planning used to evaluate outcomes	4.14	1.066	165.655	<0.001
Expansion risks discussed at managerial level	4.08	0.939	100.999	<0.001
Risk mitigation strategies implemented proactively	3.83	1.084	25.923	<0.001

Thematic Recommendations from Qualitative Data

Table no 5: Thematic analysis showed that the most commonly supported aspects of improvement were customer-centric decision-making and strong market research. Respondents have a strong belief that a better understanding of customers and using evidence-based site selection would improve the viability of the branches and their alignment with financial inclusion objectives. The themes were especially eminent with female respondents and with those in customer-facing professions (Retail, Sales, Customer Service), which indicates that frontline experience increases the level of demand-side driver awareness.

Next in line were the regulatory streamlining and preparedness of operations, followed by more experienced managers (6+ years) and Operations/Finance staff most concerned with delays and staffing issues, which is consistent with the ANOVA results that indicated that there are some significant differences in experience-modulated perceptions of regulatory and budgeting difficulties. The issue of strategic alignment became a cut-across issue, particularly among the younger respondents who were sensitive to the pressures of digital transformation. The overall effect of these qualitative insights is to support the quantitative focus on market-determined factors and reveal weaknesses in process efficiency and resource preparedness.

These suggestions, especially the combination of customer feedback tools, initial regulatory consultation, specialized training opportunities, and clear connection to digital/inclusion strategies, would significantly enhance the quality of decisions made as well as the minimization of risks in implementation, and make Zanaco more resilient in maintaining its branch network. In general, the results prove that the decisions of Zanaco regarding branch expansion are mainly based on the market demand, client demographics, and data-driven analysis, whereas operational logistics, budgeting and regulatory processes are the most evident challenges. There are strong risk management practices which are varied across departments. The qualitative themes provide evident practical directions to improve the effectiveness of decision-making and the sustainability of the branches in the long run.

Table no 5: Summary of Key Improvement Themes

Theme	Frequency	Key Insight / Representative Quote
Customer-Centric Decision-Making	High	"Customer needs and demand should drive location choices"
Robust Market Research	High	"Deeper research to build strong business case and predict ROI"
Streamlined Regulatory Processes	Moderate-High	"Regulatory approvals take longer than desired; engage early"
Operational Preparedness	Moderate	"Staffing shortages and training are major constraints"
Strategic Alignment	Moderate	"Expansion must align with strategic objectives (e.g., digital growth)"

IV. Discussion

The chapter is a critical review and interpretation of the study findings on the aspects surrounding managerial decision making in setting up new bank branches at Zanaco PLC. Following the findings of the previous chapter, which are based on empirical evidence, the discussion connects the key patterns, specifically, the dominance of market demand and customer demographics, the prevalence of operational and regulatory issues, and the dependence on risk assessments and situation planning to the existing theoretical frameworks, namely, the Theory of Planned Behavior (TPB), the Resource-Based View (RBV), and Contingency Theory. The study examined the banking strategy implications in the emerging-market setting in Zambia, elucidates practical implications to Zanaco and concludes with evidence-based suggestions to improve the effectiveness of decision making, its sustainability, and relevancy to the national financial inclusion goals.

The high focus on market demand and customer demographics as the main factor in location choice of branches is in line with international and regional banking literature. Indian (Zhang, Arora, and Colombage, 2021) and Ghanaian (Ansong, Chowa, and Adjabeng, 2015) studies have also demonstrated that population size, urbanization, and economic potential are the determinants of branch location, which is a universal trend of preferring locations with high growth potential. The focus on these aspects by Zanaco shows that the company is customer-focused and market-responsive and aims to maximize reach and profitability and contribute to financial inclusion in underserved communities. In terms of the Theory of Planned Behavior (Ajzen, 1991), the results of these findings indicate that Zanaco managers have a good attitude towards expansion in high demand zones on basis of the expected economic returns. This intention is further strengthened by subjective norms, including expectations of customers to have available services and pressure on the stakeholders to explore the markets deeper.

The fact that the survey items have a high internal consistency (Cronbachs 1 = 0.887) and negative value of skewness denotes that the respondents share a belief that market-driven factors are desirable and possible, and they have a high level of perceived behavioral control in using demographic and demand information. The Contingency Theory (Lawrence and Lorsch, 1967) offers further background: The socio-economic environment of Zambia, with its urban-rural gap, increasing uptake of digital technology, and national agenda of financial inclusion of the poor (Bank of Zambia, 2017) requires adaptive strategies that put the consideration of customer demographics and underserved groups at the forefront instead of the secondary consideration of the presence of competitors or access to labor. The reduced ratings of these latter aspects could reflect trust in the already developed market position and the extent of internal resources of Zanaco, but they can also speak of possible deficits in monitoring the competition. All in all, the results suggest that Zanaco makes decisions that are highly consistent with the external contingencies, although the accuracy of the site selection and longer performance can be enhanced through the further development of market intelligence tools.

Operation logistics and internal budgeting became the most urgent obstacles, which are in line with the results of Ethiopia (Gorfu & Mamo, 2013) and Nigeria (Onuorah, Oboro, and Okoh, 2022), where the infrastructure constraints, staffing issues, and constraints on allocating capital are the most common challenges in expanding the branches to an emerging market. The inequalities in infrastructure, challenges in reaching rural areas, and conflicting organizational priorities, including digital transformation investments, increase these challenges in the context of Zambia (Bank of Zambia, 2017). These barriers are viewed in the framework of the Resource-Based View (Barney, 1991): the competitive advantage of Zanaco is the capacity to effectively use valuable, rare and difficult-to-imitate resources (capital, technology, skilled personnel) to achieve competitive advantage. Scores on operational logistics and budgeting are high, which implies that available resource bundles are strained, and they need to be allocated more strategically to help with physical expansion.

The high experience-related disparities that ANOVA demonstrates, especially when it comes to perceptions of regulatory delays and budgeting pressures, suggest that older managers, who have more experience with strategic and compliance processes, find these issues more painful. The Contingency Theory (Donaldson, 2001) justifies the necessity of situational responses: the regulatory climate and infrastructural conditions in Zambia require specific mitigation measures, instead of universal ones. The perception of operational logistics as a significant constraint is universal and indicates that the system has problems which are beyond the level of personal experience. Such results indicate that Zanaco is advised to focus on operational infrastructure, compliance capacity and cross-functional resource planning to minimize the friction in implementation and enhance expansion results.

Among location determinants, market research, and local economic activity were rated as the highest supported by very large effect sizes with strong positive correlations with perceived decision effectiveness ($r = 0.631$ -0.682, $p < 0.001$). These findings are similar to those of Ghana (Ansong, Chowa, and Adjabeng, 2015) and Ethiopia (Gorfu and Mamo, 2013), where economic vitality and demography analysis determine the location of a branch so that it is viable and accessible to customers. The positive attitudes of managers towards data-driven strategies as indicated by the high ratings through the prism of the Theory of Planned Behavior (Ajzen, 1991) are reinforced by subjective norms (e.g. the expectations of stakeholders towards profitable and inclusive expansion) and the high perception of behavioral control in using market intelligence. The high t-values and effect sizes suggest that the mentioned factors are highly ingrained into the decision culture of Zanaco and the intention to focus on economically active locations is being consistent. The adaptive fit of the Contingency Theory (Lawrence and Lorsch, 1967) to the specifics of the Zambian market is that urban centers provide an instant source of growth, and the focus on the underserved population is in line with the priorities of financial inclusion on a national level (Bank of Zambia, 2017). The results suggest that the strategy adopted by Zanaco is effective, although more profound incorporation of the direct customer feedback and advanced analytical tools can contribute to the precision and inclusivity of the site selection.

The most appreciated strategies were risk assessment and scenario planning, which is in line with the global banking literature that supports proactive environmental scanning (Boďa & Čunderlíkova, 2020). These tools are useful to predict financial, operational, and compliance risks in the volatile economic and regulatory environment of Zambia (Bank of Zambia, 2017). These preferences are explained by the Resource-Based View (Barney, 1991; Teece et al., 1997) as the utilisation of the analytical and dynamic capabilities of Zanaco. The high departmental variations ($p < 0.001$) mean that the Finance and Operations departments, which possess more analytical resources, are more prone to using formal risk tools than the departments that are customer-facing, which are unevenly distributed throughout the organization. The Contingency Theory (Donaldson, 2001) highlights the necessity of measures to align the external uncertainties: the issue of managerial deliberation and scenario planning is an adaptive reaction to the regulatory complexity and market volatility in Zambia. The proactive mitigation rating is a little bit low, which means that it may have implementation gaps. The insights imply that uniformity of the risk procedures and the process of cross-departmental training would enhance the resilience and uniformity of expansion decisions.

The thematic analysis, which focused on customer-centered decision-making, strong market research, lean regulatory procedures, preparedness to operate, and alignment of strategies, provides viable avenues in filling the gaps that are captured in quantitative results. The most significant ones were customer-centricity and market research that is consistent with the literature on demand-driven banking expansion (Ansong, Chowa, and Adjabeng, 2015; Onuorah, Oboro, and Okoh, 2022). These recommendations are explained by the Theory of Planned Behavior (Ajzen, 1991) as the opportunities to reinforce the managerial intentions with the improvement of attitudes (customer focus), norms (stakeholder engagement), and control (better tools and processes).

The Resource-Based View (Barney, 1991) is in favor of operational preparedness and regulatory simplification, and it promotes resource optimization (staffing, compliance capacity). The state of alignment with changing digital and inclusion environment of Zambia is provided by the Contingency Theory (Lawrence and Lorsch, 1967). The fact that customer-focused and frontline respondents (female and frontline) and the strategic alignment issues (younger employees) are predominant in their answers demonstrates the importance of an inclusive decision-making process. These recommendations, including the establishment of dedicated customer insight teams, sophisticated market solutions, early regulatory consultation, specific training, and clear connection to digital/ inclusion objectives, may greatly enhance the quality of decisions, decrease risks, and increase long-term sustainability of the branch network and contribution to the financial system of Zambia by Zanaco.

Summary

Finally, the research established that market demand and customer demographics are the primary elements of managerial decision-making concerning the establishment of new branches at Zanaco Bank PLC, which is a strategic and customer-centered approach that is aligned with the economic growth centers and financial inclusion priorities of Zambia. The greatest obstacles proved to be operational logistics and internal budgeting, which were exacerbated by high initial start-up costs and regulatory complexities especially in the diverse urban-rural environment in Zambia. Location decisions were heavily influenced by market research and local economic activity, and secondary elements were played by direct customer feedback, although it was highly valued. A risk management approach that focused on the assessment and scenario planning with the assistance of managerial discussions but departmental differences and the lack of active mitigation demonstrated the opportunities of higher consistency.

Qualitative themes such as customer-centric decision-making, strong market research, optimized regulatory processes, preparedness in operations and strategic alignment presented clear evidence-based directions on how the identified gaps could be filled. A combination of these results shows that the expansion

choices of Zanaco are market-sensitive and data-driven but have systemic operational, financial, and regulatory constraints that need specific improvements to make sure that every branch of Zanaco is viable in the long-term and contributes greater value to the financial ecosystem of Zambia.

V. Recommendations

According to the results, it can be recommended to the management of Zanaco Bank PLC the following ways of how to increase the results of managerial decision-making and branch development:

1. Enhance Customer-Centric Strategies: Create a customer insights team that is tasked with the responsibility of collecting, analyzing and integrating customer feedback and demographic information systematically into the branch location decisions. Bring in periodic surveys, community participation forums, and feedback mechanisms to make sure that placements are based on real customer requirements and that financial inclusiveness is promoted in different regions.
2. Implementation of Advanced Market Research Tools: Invest in modern demographic analysis packages, economic forecasting packages, and GIS-based packages to improve accuracy and foresight of site selection. Such investments will make more accurate identification of high potential sites, prediction of return on investment and long term profitability more feasible by using evidence-based strategic planning.
3. Streamline Budgeting and Regulatory: Establish a centralized compliance task force to start early interaction with regulators and ensure continuous communication and expedite approval process. Establish uniform budgeting procedures and priorities frameworks to enable allocation of resources more effectively to expansion projects and hence minimize delays and financial constraints.
4. Improve Operational Readiness: Have an extensive system of staffing and training of new branches, such as specific recruitment, manager development programmes, and well-defined roles and tasks. Determine effective implementation schedules and responsibility frameworks to make the branches fully functional with minimum logistical interference.
5. Strategy Alignment with the Expansion: Demand that each of the suggested branches be considered specifically against long-term priorities of Zanaco in digital transformation, financial inclusion, and market positioning. Assign the right levels of decision-making power to the branch managers and regional managers to enhance responsiveness and agility but retain central control to ensure strategic coherence.
6. Standardize Risk Management Practices: Standardize bank-wide risk assessment and scenario planning procedures. Conduct periodic analytical training and cross-departmental workshops to enhance proactive risk avoidance, remove disparities between units, and develop more organizational resilience to financial, operational, and regulatory uncertainties.

Scope of future Research

The present research offers significant information regarding managerial decision-making as it concerns expansion of branches in Zanaco Bank PLC and identifies several directions that can be pursued in further research:

The existing use of a mixed-methods design that allows focusing on managerial perceptions can be supplemented by longitudinal studies that would monitor the real performance of new branches opened within the last 5-10 years in the future. This kind of research would be used to test the reliability of factors such as market demand and customer demographics to predict sustained profitability, customer growth and operational viability to provide more insight on the long-term consequences of existing decision practices.

The existing gap in local comparative banking research would be bridged through comparative research across several banks in Zambia (e.g., First National Bank, Stanbic, Barclays) to determine the common challenges in the sector and the best practices in the institutions and the industry as a whole in terms of the approach to branch expansion.

The role of digital banking and its communication with physical networks of branches is gaining momentum and deserves specific investigation. Future research can focus on the effect of the digital channel expansion on physical expansion choices, customer channel choices, and the changing strategic tradeoff between physical and digital investments in the market of Zambia.

One of the bottlenecks is regulatory processes. A close study of the banking approval procedures in place in Zambia such as the time frame, documentation, and inter-agency coordination could be used to find out viable changes that can be implemented to stream line the process of licensing of the branches and cutting down the systemic delays.

Lastly, the qualitative results indicate the importance of investigating the role of demographic factors (gender, age, experience, departmental affiliation) in the perceptions of the expansion factors, challenges, and risk management. Further studies could explore such dynamics in a more organized way to inform more inclusive systems of governance, training systems, and decision-making processes that are more able to draw on the diversity of perspectives in the organization.

VI. Conclusion

It is not that effective decision-making in the area of branch expansion at Zanaco bank PLC has not been tried, but a complex of systemic operational, financial and regulatory misalignments that inhibit the influence of otherwise good market-driven priorities. Although there is a strong emphasis on customer demand and demographics, which has been reinforced by strong market research and risk assessment practices, the existence of consistent problems in logistics, budgeting, regulatory navigation, and cross-departmental uniformity have limited the ability of the bank to implement its strategic intentions into a smooth and consistent outcome of expansion. When interventions do not consider these interrelated obstacles, they may slow down the implementation process, misuse resources, and fail to fully harness financial inclusion in underserved regions.

The improvements in the branch networks and performance should be done in a more deliberate, integrated, and context-sensitive manner to accomplish meaningful and sustainable. This involves focusing on enablers in the long run like enhanced customer knowledge, complex market intelligence, efficient regulatory interaction, full operational preparedness, and overt strategic alignment with digital and inclusion targets. With customer-centricity embedded, standard risk practices, investment in analytical capabilities and more inclusive decision-making processes that incorporate varying managerial points of view, Zanaco can break through the existing constraints and put its branch network in a better position to be more resilient and impactful. It is only in such comprehensive, dynamic, and evidenced-based reforms that the bank will be able to achieve its full potential of growing access, solidifying market presence and playing a positive role in the economic and financial growth of Zambia.

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