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The Issue of the Financial Policy of Banks in Sub-Saharan Africa: An Analysis within Banks with Mainly Western Capital in Cameroon

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ABSTRACT

The financing of the economy remains the major problem of countries in sub-Saharan Africa despite the presence of banks and an expanding financial market. The aim of this article is to contribute to a better understanding of the problems affecting banks' financial policy. Our scope of investigation is Cameroon. The study focuses on three banks with predominantly Western capital. Our methodological approach lies in conducting semi-structured interviews with branch heads, account managers and customers of the banks surveyed. The data is analyzed according to the thematic content approach. The results show that endogenous and exogenous factors to the banks interviewed hinder the decisions of bank managers and banking activities. As the financing of the economy is perceived as one of the components of the bank's social responsibility, these results give to think for thought on the governance model likely to promote a relevant financial policy.

1. INTRODUCTION

The objective of financing the economy being at the heart of interventionist political concerns, during the post-independence years we witnessed an excess of economic responsibility on the part of banks. It resulted in the granting of credits without analyzing the potential for repayment. This trend, which Guttentag and Herring (1986), described as disaster myopia, was at the origin of the systemic crisis of the 1980s in Africa. In order to curb its effects, reforms were undertaken in the 1990s by the Bretton Woods institutions.

The latter have led to liquidations, mergers, takeovers, privatizations and State intervention in banking activity has been prohibited. Subsequently, banking regulations and prudential standards were put in place in the 1990s (Tamba and Djine, 1995). The objective of all these reforms was to protect depositors and the banking system from potential risks of bankruptcy of the banking system. However, since the adoption of these measures, we have not only seen excess liquidity in the banks but also a strong aversion of these in financing the economy. Yet the raison d'être of the bank is the transformation of deposits into loans and making them available to economic agents who feel the need (Diamond and Dybvig, 1986).

In the banking sector, the debate on the financial policy of banks has arisen with acuity since the end of the 1970s following the banking crises which have been the subject of a wide discussion. Since bank failures are likely to induce systemic risk through a domino effect, it is important that banks are protected. It is in this perspective that banking regulation is thus illustrated as the lever for protecting the banking sector and depositors (Demirgüc-Kunt et al., 2004).

In sub-Saharan Africa in general and within the framework of CEMAC in particular, there is the presence of several banks as well as that of regulatory authorities such as COBAC which was created in 1990. However, the main difficulty that remains is that of relating to the financing of businesses in general and of small and medium-sized businesses in particular.

According to the Bulletin of Statistics on the Costs and Conditions of Credit in CEMAC, during the first half of 2019, the volume of new loans granted by credit institutions amounted to 3,471 billion, of which 2,985, 2 billion in credits per fund and 485.7 billion in signature commitments. For all the 6 CEMAC countries, most of the credit supply remains the fact of commercial banks (99.1% of total outstandings) despite the presence of a financial market. 79.05% of loans granted are short term, 16.33% medium term and 4.62% long term.

This finding shows that the activity of financial institutions in CEMAC still remains marginal and justifies this research which aims to understand the issues that hinder the financial policy of banks in CEMAC in general and in Cameroon in particular. To do this, we have articulated it around three points. The first highlights the literature review. The second highlights our methodological posture. The third presents our results and recommendations.

1. The exquisite state of the art on the issues of the financial policy of banks

The review of the literature which addresses the issues relating to the financial policy of banks can be circumscribed around two aspects in this case: those endogenous and exogenous to the banks.

1.1. Issues endogenous to banks

In the context of this article, we have voluntarily decided to circumscribe our analysis around four main factors in this case: information asymmetry; credit rationing; the short-term tendency and the centralization of decisions.

In his work entitled “The market for Lemons” Akerlof (1970), highlights a situation of information asymmetries on the market. The market investigated was that of used vehicles. In the latter, the sellers have additional information compared to the buyers on the condition of the cars they want to sell and are motivated to trick the latter into selling them a car in poor condition at the price of a good one.

Stiglitz and Weiss (1981) transpose the model of Akerloff (1970) on the credit market. For these authors, uncertainty stems from the existence of information asymmetries between lender and borrower. Because of these asymmetries and the link between interest rates and credit quality, it is not possible to regulate the market by changing the interest rate but only by credit rationing (Gloukoviezoff, 2004). Based on the work of Stiglitz and Weiss (1981), Gloukoviezoff (2004), shows that their work remains a reference with regard to the credit market.

According to Stiglitz and Weiss (1981), the future incentives of the current credit applicant are rarely controllable because the lender is in a situation of information deficit. This informational deficit justifies the analysis of informational asymmetry from two angles, namely adverse selection and moral hazard. From their model they show how the introduction of information asymmetry defeats the adjustment of the market by an increase in the interest rate. They explain the possibility of markets in a situation of equilibrium coexisting with a rationing of the supply or demand for credits (Stiglitz and Weiss, 1981). If banks had perfect information on potential borrowers, the problem of customer selection would be marginal.

Within the framework of the CEMAC zone in general and in Cameroon in particular, the problem of informational asymmetry arises acutely since the information system is not capable of providing relevant information likely to facilitate decisions relating to credit. This situation reinforces the risk of insolvency of potential borrowers and increases the phenomenon of credit rationing as well as the short-term trend. It is in this perspective that the work of Wamba (2001) shows that credit rationing and the short-term trend hinder the financing of the economy.

The centralization of credit decisions refers to ethnocentrism. It corresponds to the perception according to which the values, practices and know-how of the head office or the parent company are perceived as being benevolent. Consequently, must be transposed to subsidiaries abroad (Le Gall, 2014). According to this logic, the managerial culture of the head office is understood as Universalist and more appropriate for the performance of the subsidiaries. Hofstede (1980) shows in his work that the American model is dominated by a corporate culture based on the decentralization of responsibilities and a horizontal type of management. The French model meanwhile is marked by great centralization unlike the United States. With reference to Africa, the work of Henry (1991) shows that the African model is dominated by specificities such as: authoritarianism, improvisation, the short term, recruitment on the basis of family, affective and tribalism, risk aversion, centralization of decisions, uncalculated trust, respect for tradition as well as the vocation of leaders to create confusion between the company's resources and their personal assets.

Between these three management models, there is the problem of adapting subsidiaries to the local context (Jaussaud and Schaaper 2006). Managing directors with regard to their status as foreigners in Africa often feel the need to be accompanied in carrying out their responsibilities by an employee of African origin in order to be able to contextualize the strategy in force by the parent company (Quéré, 2006). Given their lack of knowledge of the host territory, they approve of the initiative of an assistant director of African origin. As the latter are supporters and agents of dissemination of African culture, we are witnessing the proliferation of African-style managerial practices as they are expressed in the model of (Henry, 1991).

1.2. Problems exogenous to banks

We have voluntarily chosen to circumscribe our analysis around two issues in particular: the business climate, in this case corruption, as well as the perverse effects of prudential regulations. Corruption is apprehended by Mauro (1995), as the process by which actors enjoying official power use it for personal enrichment. This pursuit of self-interest comes at the expense of the common good. The means of recourse of these people are generally illegal and condemned by public opinion. In countries where formal institutions are poorly developed or inefficient, corruption is often used as a tool to fill in, circumvent and compensate for the inefficiency of a centralized administration that is remote from local realities. Corruption theories revolve around two hypotheses, namely that of oil in the cogs and that of the grain of sand in the cogs.

The first is based on the fact that corruption, although negative for economic growth, is full of positive effects. This posture is justified by the fact that it contributes to increasing efficiency in a situation of excessive regulation and cumbersome and

ineffective bureaucracy. According to proponents of this theory, corruption fattens the economic process because it provides companies and individuals with an option to circumvent regulations and an ineffective legal system (Le Gall, 2011). The second hypothesis highlights the negative effects of corruption. Proponents of this point of view argue that when measures are adopted to coerce those who engage in them, the latter develop other alternatives to conceal the acts committed and not to be detected. Corruption generates many direct and indirect costs since it diverts resources that could have been invested in productive activities. However, the results of the few studies that have tested the effects of corruption by firms on their performance have been contradictory. The analysis made by Vial and Prevot (2013) shows a positive influence of the payment of bribes on the growth of production and productivity of companies.
The relevance of prudential regulation lies in the prevention of systematic financial and depositor crises. Beyond this objective, it should be noted that banking regulations are full of perverse effects that are likely to hinder the financing of the economy. Among these, we can highlight banking exclusion and informal finance. Banking exclusion seems to have been used for the first time to refer to individuals who have only limited access to basic financial services. Subsequently, countless studies have tried to provide a broader solution to this concept. According to Gloukoviezoff (2004), banking exclusion concerns obstacles to access or use of banking services encountered by individuals or companies.

The study by Avom and Bobbo (2018) reveals that factors such as: administrative costs, credit-related costs and collateral constraints consolidate banking exclusion. Administrative costs represent expenses borne by customers when they request the bank's products and services. They reduce access to banking services to a segment of the population (Beck et al, 2005). The costs in terms of documents to be provided such as: an official identity document (national identity card or valid passport), proof of residence (water or electricity bill), proof of income (salary slip, valid business license), minimum amounts required to open an account and the costs associated with remoteness also constitute institutional barriers that limit access to banking services and therefore financing economic activities.

The charges relating to the loans to be granted arise in particular from the banking conditions. They designate all the expenses that must be paid by customers. When they are high, they discourage credit applicants and they opt to withdraw from the financial system. With regard to the guarantees to be provided, a considerable number of people are unable to have access to bank credit because of their impossibility to meet the constraints of the banks in terms of guarantees. According to the analysis of Avom and Bobbo (2018), the guarantees required for access to credit are either equal to or greater than the loan requested. A customer can therefore apply for a loan but because of the sureties and guarantees to be provided, he abandons his request. Based on the work of Gloukoviezoff (2004), the dissatisfaction of the bank in terms of guarantees leads to the refusal to grant credit and consequently to the refusal of financing.

Banking exclusion accentuates informal finance and calls into question the essential role of financial intermediaries (Demirgüc-Kunt and Huizinga, 2004). Informal finance has developed with the aim of providing financial services to populations excluded from traditional financial systems (Bekolo and Onomo 2008). It has always existed in Africa in an informal configuration through solidarity associations. It experienced a real boom during the 1990s following the rigidity of banking conditions. With the development of Micro-Finance Institutions (MFIs) during the 1990s, banks are no longer the only ones to exercise the credit supply business. These institutions with regard to the flexibility of their requirements and their operation on the margins of banking regulations grant micro-credits to their customers. Players excluded from the traditional banking system tend to move towards these institutions. Their relational proximity allows them to accumulate information enabling them to assess their solvency (Meyer, 1998).

It emerges from the review of the literature above that the financing of the economy still remains marginal and many endogenous and exogenous factors at the bank seem to hinder their financial policy. In order to bring our theoretical analysis closer to the practices of banks, we undertook a qualitative analysis within banks with mainly Western capital in Cameroon.

2. THE METHODOLOGICAL POSTURE MOBILIZED FOR THE QUALITATIVE ANALYSIS

The research protocol used successively examines the procedure for collecting data in the field, their transcription, their coding and their analysis.

2.1. The data collection procedure

Understanding the issues that hinder the financial policy of banks required the use of the intelligence of the actors who live it on a daily basis and who implement it. To do this, we have adopted an internal bank approach. It is justified by the attention given to branch managers and account managers. Our methodological approach is based on rooted theory, which is justified by the desire to update the orientations that a person or a group of people gives to their experience (Dionne, 2009). This is why we called on the intelligence of the above-mentioned actors. Our field of investigation is Cameroon. Although its banking sector is currently composed of banks with majority national or domestic capital, those with majority Pan-African capital as well as those with majority Western capital, our attention has been drawn to Banks with Majority Western Capital.

The choice of Banks with Majority Western Capital is motivated by the fact that the creation of some of them date from the years following the Second World War. Subsequently, they suffered Africanization policies imposed by each African state on Western subsidiaries (Vuerings, 1964). We have deliberately chosen to focus our analysis around three (03) of these banks. For the sake of anonymity, they have been codified in BCMO1; BCMO2 and BCMO3. All these banks have their general management in the city of Douala, the economic capital of Cameroon.

Data collection led us to adopt a logic of triangulation. As a result, we have used different data collection techniques with a view to analyzing the factors that undermine the financial policy of the banks in our sample. It is in this dynamic that we consulted the activity reports published by the banks. These reports informed us about the overall financial policy of the banks surveyed. Not having specific data on the phenomenon to be studied, it seemed relevant to us to appeal to the intelligence of the managers involved in the credit granting chain. The objective was to understand the financial policy of each bank surveyed. From this interpretivist perspective, the semi-structured interviews were carried out in the cities of Yaoundé (political capital of Cameroon) and Douala (economic capital of Cameroon) between June and December 2021. They targeted account managers and heads of agency of the banks interviewed.

Establishing a relationship with the banks approached was very difficult and some banks gave us a categorical refusal regarding the scope of our study. In the end, out of nine banks contacted, only three gave us favorable opinions. We used our social capital in terms of friends and our user status in some banks. Some respondents were not informed that they are participating in research. This was the case with account managers. Others, such as branch managers, have been informed and numerous follow-ups have proven necessary since respondents are faced with numerous requests relating to their daily work. Some respondents had to be reassured that the interview is limited only to the context of our research. After establishing a climate of trust, an interview guide was made available to each respondent. The interviews were carried out according to the availability of the respondents inside and outside the bank.

They were carried out using a two-pronged approach. The first used semi-structured interview guides (Table 1). They were conducted according to the recommendations of (Fontana and Frey 2000; Grawitz, 1996; Huberman and Miles, 1991). In the second approach, the interviews were unstructured and were inspired by the survey approach in the sense of Kauffman (1999), with a view to creating complicity and a relaxed climate. The objective was for the respondents to express themselves freely in the conversations. Given the limitations of this type of approach, non-participant observation was used with a view to completing inappropriate and incomprehensible data.

2.2. Transcription, coding and analysis of the data collected

All interviews were recorded and transcribed in full. Some respondents were informed about data recording and confidentiality. Others were not informed. This approach was adopted with the aim of limiting bias and informal conversations because the recording has an impact on the attitude of the respondent. The main topics discussed during the interviews concerned the problems of the financial policy of banks. Table 1 illustrates the content of each interview guide.

Table 1: Interview guide for respondents

Administrative function of respondents	Themes
Heads of agencies or agency directors	- The bank's financial policy - Access to credits - Techniques for assessing the risk of a credit file - The procedure for validating a file -Banking regulations and banking exclusion - Risk coverage - Corruption
Account or portfolio manager	- Centralization of decisions - The maturity of the credits granted - Credit rationing - The nature of loans granted -Access to credit - The regulatory framework and access to credit

Source: author

During the course of our interviews, we began to address the global themes and gradually, we oriented ourselves towards the specific themes which constitute the crux of our work. We were inspired by the advice of (Fontana and Frey, 2000). According to these authors, the interviewer must first break the ice with general questions. As our survey evolved, respondents revealed some themes to us that we did not address. The relaunch of the latter has enabled us to enrich our interview guide. It is in this perspective that (Blanchet and Gotman, 1992; pp.40-43) affirm that "The interview is essential each time one is unaware of the world of reference, or that one does not want to decide a priori of the system of internal consistency of the information sought (…). The function of the exploratory interviews is to highlight the aspects of the phenomenon that the researcher cannot think of spontaneously and to complete the avenues of work suggested by his readings". When respondents' answers became redundant, we judged that we had reached saturation. Table 2 below shows the duration of our interviews with the internal actors surveyed.

Table 2: Duration of interviews with internal actors at the banks surveyed

Bank	Function of respondent	Interview duration (minutes)
BCMO1	Head of agency	29
	Account Manager	33
Total	02 interviews	62 minutes
BCMO2	Head of agency	35
	Account Manager	42
Total	02 interviews	77 minutes
BCMO3	Head of agency	25
	Account Manager	38
Total	02 interviews	63 minutes
Total	06 interviews	202 minutes

Source: The author

Data analysis required a coding phase of our interviews. Before the interviews, we defined the codes in order to link the research questions to the data collected. The coding took place as we conducted our interviews. As noted in the work of Huberman and Miles (1991), the phase relating to data coding must be carried out during data collection and not at the end of the survey. Coding "Consists of establishing the categories of a content analysis" (Grawitz, 1996; pp.634). The theme is the unit of recording, or the unit to be coded. The unit of comprehension which makes it possible to code the unit of recording, is the paragraph. Following these recommendations, we proceeded to code our interviews. From the verbatim, an analysis grid was developed. It brought out the content of each theme, the identity of the bank according to the interviewee, the function exercised by each respondent and the characteristic of the bank (BCMO1, BCMO2, and BCMO3).

Bardin (1998), maintains that thematic analysis offers the researcher a certain latitude; indeed, "The theme as a unit of recording corresponds to a division rule which is not given once and for all, since the division depends on the level of analysis and not on formally regulated manifestations" (Bardin, 2001; pp. . 137). The thematic analysis made facilitated the transcription of the speech while establishing cohesion between the interviews.

Our choice was motivated by the desire to understand the issues that plague the financial policy of the banks with majority Western capital surveyed.

3. PRESENTATION AND DISCUSSION OF THE RESULTS OF THE QUALITATIVE STUDY

The topics covered by the literature review have highlighted the theoretical factors that hinder the financial policy of banks. These have been identified as endogenous (credit rationing, short-term, centralization of decisions) and exogenous (adverse effects of prudential regulations, corruption or business environment) to banks and guide the structuring of our results.

3.1. Assessment of BCMO1's financial policy

The examination of the verbatim of the actors interviewed in terms of frequency of occurrences on the factors that hinder the financial policy of the BCMO1 is highlighted in Table 3.

Table 3: BCMO financial policy1

BCMO3 financial policy	Effectifs	Fréquences
Centralization of decisions	79	16%
Prudential regulation	165	34%
Bank exclusion	58	12%
Corruption	15	3%
Judicial system	8	2%
Personal credit rationing	44	9%
Credit rationing (SME/SMI)	34	7%
Short term	77	16%
Total	480	100%

Source: author

From Table 3 above, we see that in the financial policy of the BCMO1, prudential regulation occupies a primordial place (35%). Next, particular importance is given to the centralization of activities (17%). Short-term (16%), banking exclusion (12%), rationing of SME/SMI credit (9%) individual loans (7%) constitute major problems. However, corruption (3%) and the judicial system (2%) remain factors influencing the supply of bank credit. Figure 1 below illustrates the financial policy of the NCB studied.

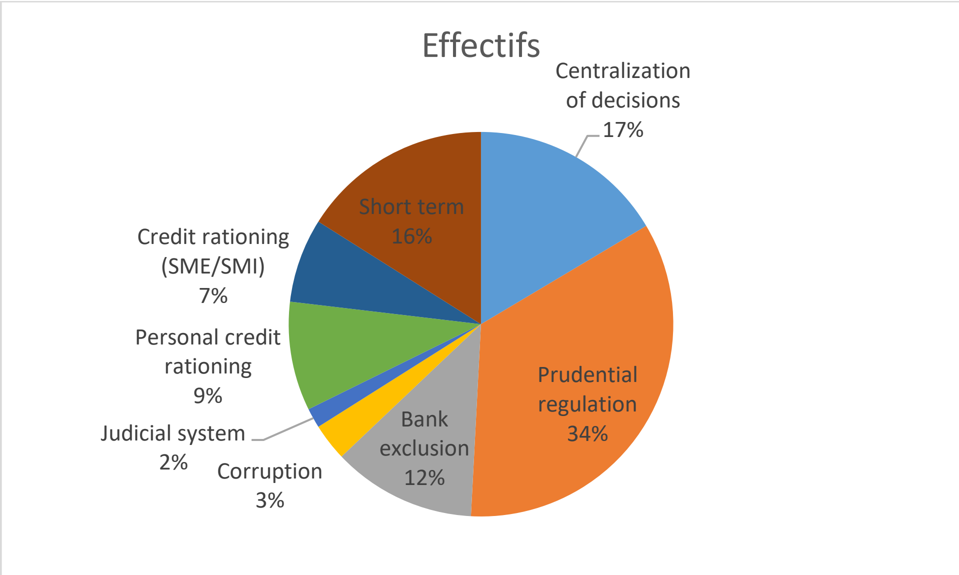

Figure 1: BCMO's financial policy1
Source: data from the semi-structured interview

The aversion of banks to risk is materialized by short-term credits and credit rationing practices. Studies that criticize credit rationing consider that it hinders the main vectors of development, namely Small and Medium Enterprises and Industries (SMEs/SMIs) (Wamba, 2001). Approached on this subject, the person in charge of the survey declared that: "The informal nature of the activities of SMEs and SMIs leads us to grant them short-term loans according to their ability to repay" [Interview with account manager BCMO1]. However, these practices seem to be justified by the crisis which hit several African countries in a contagious manner in the 1980s vise the risk. Moreover, the restructuring that followed gave rise to regulatory institutions whose role is to protect depositors and the banking system. Compliance with prudential standards results in the refusal of loans to most companies that do not comply with bank conditions.

With regard to corruption and the judicial system, the official investigated declared: "If we know that the condition for having access to credit is to pay bribes to our banker, we will no longer take into account the elements the most important aspects of risk management. Indeed, corruption can undermine access to credit and even weaken the banking system" [Interview with the BCMO1 branch manager]. This verbatim from the interviewed official shows that corruption and a bad system can hinder banking activities.

3.2. Assessment of the financial policy of the BCMO2

The examination of the verbatim of the actors interviewed in terms of frequency of occurrences on the factors that hinder the financial policy of the BCMO2 is highlighted in Table 4.

Table 4: BCMO2 financial policy

BCMO3 financial policy	Effectifs Workforce	Frequencies
Centralization of decisions	92	20%
Prudential regulation	107	23%
Bank exclusion	56	12%
Corruption	29	6%
Judicial system	19	4%
Personal credit rationing	44	9%
Credit rationing (SME/SMI)	39	8%
Short term	81	17%
Total	467	100%

Source: author

From table 4 above, we see that in the financial policy of the BCMO2, prudential regulation occupies a primordial place (23%). Next, particular importance is given to the centralization of activities (20%). The short term (17%), banking exclusion (12%), rationing of SME/SMI credit (9%), individual credit (8%) constitute major problems. Despite its relatively low percentage, corruption (6%) and the judicial system remain issues that have a negative impact on the supply of bank credit.

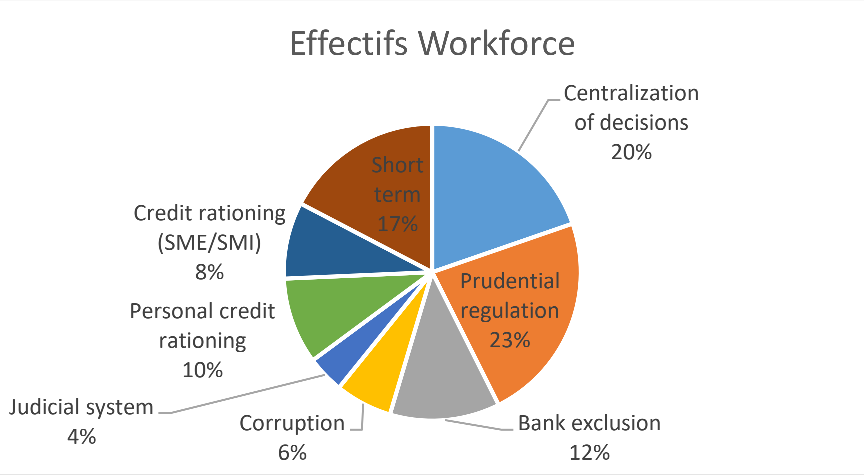

Figure 2: Presentation of the financial policy of the BCMO2
Source: data from the semi-structured interview

In the financial policy of the BCMO2, compliance with prudential regulations occupies a prominent place. This position seems to be justified by the fact that in the financial policy of this bank, there is a desire to comply primarily with prudential regulations in the exercise of banking activities at the risk of suffering sanctions. Addressed on this topic, the interviewer manager said: “We are selling money and it is very sensitive. We have to comply not only with the regulations, but also with the customer's repayment capacity by analyzing the risk of non-repayment” [Interview financial analyst BCMO2].

However, prudential regulations have resulted in rigidities in relations with users. This rigidity has led to an aversion of banks to risk and a phenomenon of banking exclusion. Beyond these perverse effects of the regulations, it is necessary to note a certain centralization of decisions in the functioning of the BCMO2 studied. This stems from what Perlmutter and Heenan (1979) call ethnocentrism. Approached on this aspect, the responsible person investigated declared: “In terms of granting credits, it is the management that decides. We analyze the file at the agency level and we give our opinion. Then we execute the decision of the general management” [Interview with the BCMO2 branch manager].

However, credit rationing and banking exclusion remain central issues in the financial policy of the BCMO2 surveyed, we recorded the following statements: "The longer a loan takes, the greater the risk of reimbursement based on activity. Short-term loans granted to SMEs/SMIs and individuals are more interesting and less risky for us, as zero risk does not exist” [Interview with BCMO2 branch manager]. However, corruption and the judicial system remain issues in the financial policy of the BCMO2 surveyed. Although the managers interviewed did not express themselves enough on the subject, their verbatim seemed to us to be similar to that of the managers surveyed in the BCMO1.

3.3. Assessment of BCMO's financial policy3

The deciphering of the verbatim of the officials interviewed in terms of frequency of occurrences in the BCMO3 is highlighted in Table 5.

Table 5: BCMO3 financial policy

BCMO3 financial policy	Effectifs Workforce	Frequencies
Centralization of decisions	20	17%
Prudential regulation	27	23%
Bank exclusion	18	15%
Corruption	8	7%
Judicial system	5	4%
Personal credit rationing	15	13%
Credit rationing (SME/SMI)	11	9%
Short term	16	13%
Total	120	100%

Source: author

From table 5 above, we see that in the financial policy of the BCMO3, prudential regulation occupies a prominent place (23%). Next, particular importance is given to the centralization of activities (17%). However, the short term (13%), banking exclusion (15%), credit rationing for individuals (13%) and SMIs/SMEs (9%) remain major concerns. Corruption (7%) also stands out as a factor that influences the supply of bank credit.

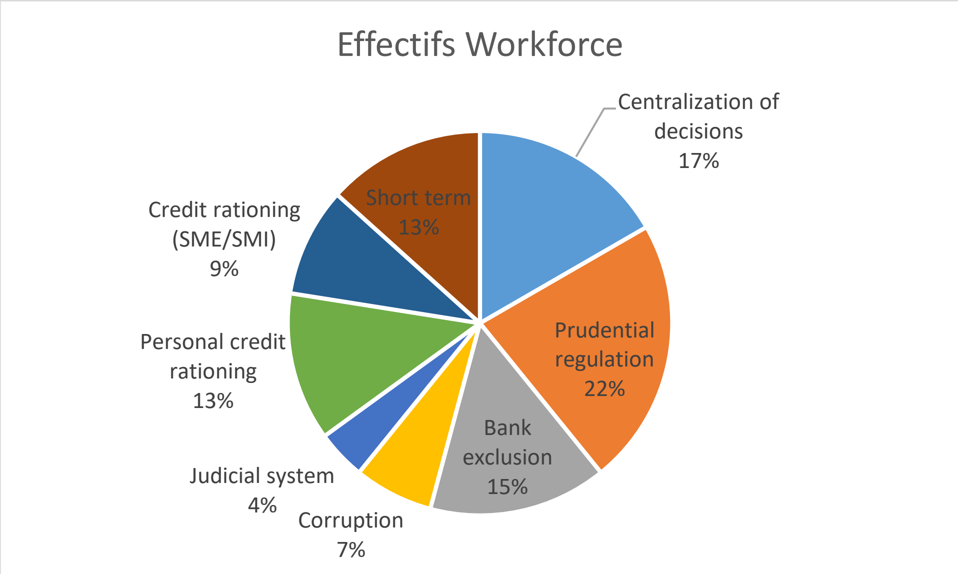

Figure 3: Presentation of the financial policy of the BCMO3
Source: Data from the semi-structured interview

The influence of prudential regulation observed seems to be justified, as we have already noted, by the reforms undertaken in the 1990s with the aim of reframing the excessive responsibility of banks on the economic level. During the collection of our data, an interviewed official said: “It is because the banks fight against the financing of terrorism and money laundering that a number of elements are necessary. Among these, there are administrative documents which obviously have a cost as well as those relating to guarantees. You need at least that to have access to banking services, its banking regulations and you have to respect them” [Interview with BCMO3 branch manager]. However, it should be noted that prudential regulation has perverse effects, in this case banking exclusion. According to the work of Claesens et al. (2001), there are two categories of banking exclusion generated by the regulations. That linked to access to banks and that linked to the use of financial services within banks themselves (Avom and Bobbo, 2018). Addressed on this topic, the manager interviewed said: “We are selling money and it is very sensitive. We must comply not only with the regulations, but also with the customer's ability to reimburse. We finance the activity and the guarantees just cover the risk of non-reimbursement” [Interview BCMO3 account manager].

The observed centralization of decisions confirms what Perlmutter and Heenan (1979) call ethnocentrism. In this perspective, the manager investigated declared: “We are a multinational and it is the group that defines the policy of our bank. Locally in the countries where we are, we have specific actions that we adapt according to the country. This is why we are required to respect an 80%-20% system. That is to say, 80% of our actions must respect the prerogatives of the group and 20% can be adapted and linked to the specific needs of the country in which the subsidiaries are located” [Interview with BCMO3 branch manager].

The short-term and the rationing of credits observed seem to stem from the purely transactional approach of the BCMO3 surveyed. The latter relies solely on quantitative factors to assess credit risk. It requires tangible guarantees as a loan condition and only grants short-term loans. Interviewer on this issue, the official interviewed said: "The longer a loan takes, the greater the risk of non-repayment depending on the activity" [Interview with the BCMO3 account manager].

With regard to corruption, the officials interviewed identified this factor as harmful to the financial policy of the bank surveyed. Addressed on this topic, the manager interviewed said: “Unfortunately, in the banking sector, we have employees who do not take ethics into account. When it is necessary to pay a service to a customer when the latter had already paid, this contributes to making the risk high. Employees are regularly made aware of this topic” [Interview with the BCMO3 branch manager].

Although prudential regulation remains the predominant factor in the analysis of the financial policy of the banks surveyed, the discussion of our results shows a certain heterogeneity in the assessment of the factors that undermine the financial policy of the banks surveyed.

4. CONCLUSION AND RESEARCH PERSPECTIVES

The objective of this article was to understand the issues that plague the financial policy of banks in sub-Saharan Africa. From the semi-structured interviews conducted with three banks with majority Western capital in Cameroon, we found that factors such as: the centralization of decisions; prudential regulation; banking exclusion; Corruption ; credit rationing and the short term influence banking activities and consequently the financial policy of the banks interviewed.

The raison d'être of the bank is that it ensures the transfer of deposits into loans and makes them available to economic agents who feel the need (Diamond and Dybvig, 1986). However, our study shows that the factors mentioned above hinder the decisions of bank managers and therefore banking activities. They corroborate the results of the work of Avom and Bobbo (2018) than those of Beck et al. (2005) who show that certain elements such as: administrative costs, costs related to credit, guarantee requirements, charges borne by bank customers in order to comply with administrative formalities, documents to be provided by customers constitute obstacles to financing and therefore limit the financial policy of banks.

Regulation is understood as a set of rules, incentives and practices of public supervisory authorities. It aims to establish and maintain financial stability (Diamond and Dybvig, 1986). Therefore, we can see that since its introduction in the CEMAC zone, during the 1990s, it has made it possible to avoid other systemic crises in Central Africa. However, it must be recognized that it harbors perverse effects, in this case banking exclusion. From the results of our research, it seems relevant to open a reflection on the model of governance capable of promoting the financing of the economy.

In view of the difficulties encountered during our interviews and the limits of the purely qualitative approach used, it would be beneficial to consider in other studies, the focus of the analysis on the actors at the strategic level. The focus of our analyzes at the operational level probably overestimated the perception of our results. In addition, other studies can be considered in the field according to a purely quantitative approach. At the end of our research, it should be noted that our results may be influenced by the specific characteristics of the Cameroonian cultural and institutional environment. As such, they may not be valid in other contexts.

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