Popular science abstract

The owner of a bank influences the decisions it makes. Among other things, it decides at what pace and to which clients the bank grants loans. The accuracy of credit decisions translates into the soundness of the bank and the deposits placed in it. For these reasons, research on the impact of ownership structure on bank outcomes is important. The relevant research has been conducted over years. However, gaps in our knowledge still exist regarding the relationship between ownership structure and bank results. Our research project aims to supplement the current knowledge of bank lending and the resilience to negative external shocks of two specific groups of banks, i.e., banks owned by families and banks controlled by non-financial enterprises. Both of the above-mentioned groups of banking entities were very rarely the subject of in-depth research in the past, especially in a wide international context. We intend to provide answers to the three following questions. First, we plan to check whether the lending activity of family banks and banks controlled by non-financial entities differs from other banks. Second, we intend to verify the resilience of those two groups of banks to negative, external shocks of various natures. Third, we contemplate examining the institutional and bank-level factors modifying lending and soundness of the banks under study.

In our investigations, we combine data from several sources. They include financial statements of several thousand banks from more than 100 countries, detailed information on the banks' domestic owners, their global ultimate owners, and comprehensive country-level macroeconomic, social, and demographic indicators from numerous sources. The constructed sample will be employed in regression models that explain different lending indicators of banks and measures of bank soundness. We believe that the results of our study will be important from economic, social, and policy-making points of view.