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The impact of capital structure on business growth: A statistical analysis of ICICI Bank

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Abstract
One of the most important factors influencing financial performance and long-term viability in the banking sector is capital structure. Banks can preserve financial stability, adhere to regulatory requirements, optimize the cost of capital, and increase shareholder value when they have the right mix of debt and equity. Maintaining an appropriate capital structure is crucial for attaining sustainable company development and successfully managing financial risk in the fiercely competitive Indian banking industry. Because of its solid capital basis, ongoing commercial growth, technological innovation, and careful risk management procedures, ICICI Bank has become one of India's top private sector banks. Therefore, it is crucial for bank management, investors, policymakers, and academics to comprehend the connection between capital structure and company success.
The current study examines how capital structure affected ICICI Bank's business expansion during a ten-year period, from FY2015–16 to FY2024–25. Based only on secondary data gathered from ICICI Bank's official annual reports, the study uses a quantitative, descriptive, and analytical research approach. Major financial metrics such as total assets, shareholders' equity, total advances, profit after tax, capital adequacy ratio (CAR), return on equity (ROE), and profits per share (EPS) are the focus of the examination.
These factors were chosen in order to assess the bank's overall business growth, financial performance, and capital position. The link between shareholders' equity and corporate growth was investigated using statistical methods such trend analysis, growth rate analysis, Compound Annual Growth Rate (CAGR), descriptive statistics, Pearson correlation, and simple linear regression.
The results show that ICICI Bank grew remarkably and steadily during the course of the research. From ₹7,206.95 billion in FY2015–16 to ₹21,182.40 billion in FY2024–25, total assets rose significantly, indicating strong corporate development. Additionally, the bank's capital foundation and financial resilience were strengthened by the steady increase in shareholders' equity. Similarly, notwithstanding brief swings brought on by economic difficulties and higher provisioning during FY2018–19 and the COVID-19 pandemic, advances, profit after tax, return on equity, and profits per share showed a favorable long-term trend. The bank maintained sufficient capital buffers despite pursuing business development, as evidenced by the Capital Adequacy Ratio continuously remaining over the statutory minimum set by the Reserve Bank of India.
A very substantial positive correlation between total assets and shareholders' equity was shown by the statistical study. A significant degree of relationship between the two variables was revealed by the correlation coefficient of 0.989 found by Pearson correlation analysis. Additionally, the regression study showed that shareholders' equity explained almost 97.9% of the variation in total assets ($R^2 = 0.979$), indicating that the bank's commercial expansion has been greatly aided by a solid equity basis. The statistical significance of the regression model confirmed that shareholders' equity plays a crucial role in ICICI Bank's commercial development. As a result, the alternative hypothesis was accepted and the null hypothesis, which claimed that there is no meaningful connection between shareholders' equity and company development, was rejected.
The analysis comes to the conclusion that ICICI Bank's sustainable development, profitability, and financial stability have been greatly aided by maintaining a healthy capital structure. The bank has been able to grow its business, increase shareholder returns, and successfully meet regulatory capital requirements while remaining resilient in the face of economic uncertainty thanks to a solid equity position. The results offer useful information to investors in assessing financial performance, bank management in creating efficient capital strategies, and legislators in bolstering regulatory frameworks for the banking industry.
Additionally, by offering actual information from one of India's biggest private sector banks using current financial data, the study adds to the body of knowledge already available on capital structure. In order to give more comprehensive evidence on the connection between capital structure and business growth in the Indian banking sector, future research may expand this study by adding more banks, macroeconomic factors, and sophisticated econometric tools.

Keywords: Capital structure, business growth, ICICI Bank, shareholders' equity, capital adequacy ratio, financial performance, banking sector, profitability, return on equity, earnings per share

Introduction

One of an organization's most important financial choices is its capital structure, which establishes the ratio of debt to equity needed to fund long-term investments and company operations. A company's profitability, financial risk, cost of capital, market value, and overall business success are all directly impacted by the choice of a suitable capital structure. An business may reduce its weighted average cost of capital (WACC), increase shareholder value, and preserve financial stability with the right mix of debt and equity. Conversely, an improper capital structure can raise financial risk, lower profitability, and negatively impact the company's capacity to develop sustainably.

The literature on financial management has covered the idea of capital structure in great detail. The Modigliani and Miller (1958) [17] hypothesis states that in a perfect market, a firm's value is unaffected by its capital structure. However, the ratio of debt to equity becomes very important in real-world economic settings where there are taxes, bankruptcy fees, agency expenses, and information asymmetry.

A number of theories, such as the Agency Theory, Pecking Order Theory, and Trade-off Theory, describe how businesses make funding decisions based on a variety of internal and external variables. Excessive reliance on debt raises financial commitments and the danger of insolvency, even when debt financing boosts profits through financial leverage and offers tax advantages. Despite being somewhat pricey, equity financing provides financial flexibility and lessens the burden of repayment. Therefore, in order to guarantee long-term financial sustainability, businesses must maintain an ideal balance between debt and equity.

Because banks deal largely with public deposits, financial intermediation, and credit creation, capital structure is even more significant in the banking sector than in other industries. Banks are subject to strict regulatory frameworks that are intended to safeguard depositors, preserve financial stability, and reduce systemic risk, in contrast to industrial or service firms. Minimum capital adequacy standards are set by international organizations like the Basel Committee on Banking Supervision and regulatory bodies like the Reserve Bank of India (RBI) to guarantee that banks have enough capital to cover unforeseen losses. Therefore, preserving public trust, guaranteeing regulatory compliance, and promoting sustainable economic growth all depend on efficient capital structure management.

Over the past 20 years, the Indian banking industry has seen a significant transition. The structure and operations of Indian banks have been drastically altered by economic liberalization, technological innovation, financial inclusion programs, digital banking, fintech partnerships, enhanced corporate governance, and regulatory changes. Customer satisfaction and operational efficiency have increased with the use of digital payment systems, mobile banking, internet banking, Unified Payments Interface (UPI), artificial intelligence, and Core Banking Solutions (CBS). Additionally, by enhancing risk management procedures and boosting resilience against financial crises, the adoption of Basel III standards has bolstered the capital architecture of Indian banks.

Public, private, foreign, regional, rural, and cooperative banks make up the Indian financial system. Among them, competition, innovation, customer-focused services, and financial success have all been greatly aided by private sector banks. The expansion of India's financial industry has been significantly aided by its effective capital management, use of cutting-edge technologies, and variety of financial products. In general, private banks outperform many of their public sector rivals in terms of operational efficiency, asset quality, and profitability.

ICICI Bank is one of the top private sector banks in India because of its solid capital management procedures, varied business portfolio, and steady financial performance. Since its founding in 1994, ICICI Bank has developed into one of India's biggest private sector banks, providing a wide variety of banking and financial services to corporate clients, small and medium-sized businesses (SMEs), retail consumers, rural markets, and foreign clients. While keeping solid financial foundations, the bank has consistently increased its client base, branch network, and digital banking capabilities.

By enhancing asset quality, raising profitability, lowering non-performing assets (NPAs), and keeping sufficient capital buffers, ICICI Bank has effectively improved its balance sheet over time. During difficult economic times, such as the Global Financial Crisis, demonetization, the COVID-19 epidemic, and times of economic stagnation, the bank has shown incredible endurance. ICICI Bank has continuously increased shareholder value and preserved investor trust via careful risk management and efficient capital allocation.

Various financial and operational metrics that show the overall performance and growth of banking operations are used to gauge business growth in the banking sector. Growth in total assets, shareholders' equity, loans and advances, deposits, net interest income, profit after tax (PAT), earnings per share (EPS), return on equity (ROE), return on assets (ROA), capital adequacy ratio (CAR), and market capitalization are examples of common metrics. A rise in these metrics often denotes increased financial stability, corporate growth, and operational effectiveness. Adequate capital allows banks to grow their credit portfolio while meeting regulatory capital requirements because lending operations are their main source of income.

By dictating the quantity of money available for lending, investment, technical advancement, branch expansion, and strategic acquisitions, capital structure has a direct impact on key growth metrics. Increased financial flexibility, reduced borrowing costs, increased investor confidence, and enhanced resilience to economic shocks are all benefits of a well-capitalized bank. On the other hand, too much leverage can lower profitability, raise financial risk, and have a detrimental effect on shareholder returns. As a result, comprehending the connection between capital structure and company expansion has emerged as a crucial field of study in banking finance.

Numerous empirical studies have looked at the connection between capital structure and financial performance in both developed and emerging nations. Some studies contend that excessive debt negatively impacts financial performance due to greater interest payments and financial distress costs, while others find that higher leverage has a favorable impact on profitability through the tax shield effect. The link between capital structure and business growth in the Indian banking setting is still a crucial topic for empirical research, especially when it comes to big private sector banks that operate in changing regulatory and economic environments.

The current study, which focuses on ICICI Bank, investigates the connection between capital structure and company growth from FY2015–16 to FY2024–25. This ten-year span was chosen because it encompasses a number of important economic developments, such as the adoption of Basel III standards, demonetization, the COVID-19 pandemic, the quick digital revolution, and the Indian economy's post-pandemic recovery. A thorough grasp of how shifts in capital structure have affected the bank's development trajectory and financial performance may be obtained by examining this time frame.

The whole analysis is based on secondary data gathered from ICICI Bank's published annual reports and other reliable financial sources. Total assets, shareholders' equity, loans and advances, capital adequacy ratio (CAR), profit after tax (PAT), earnings per share (EPS), and return on equity (ROE) are the main factors taken into account. These factors reflect the bank's business growth and capital structure aspects. The study uses descriptive statistics, trend analysis, ratio analysis, correlation analysis, and basic regression analysis to accomplish its goals. The association between capital structure factors and company growth indicators may be systematically examined thanks to these statistical tools.

This study's importance goes beyond scholarly investigation. The results will give bank management important information on the best financing choices and efficient capital management techniques. The impact of capital structure on profitability and shareholder value will become clearer to investors and shareholders. Policymakers and regulators may use the data to create proper capital adequacy rules and bolster the stability of the banking system, while financial analysts can use them to assess the financial health and development prospects of banking institutions. Additionally, by offering actual data from one of the biggest private sector banks in India, the research will add to the body of knowledge already available on corporate finance and banking.

In conclusion, capital structure continues to be a crucial factor in determining the banking industry's financial success and company expansion. Maintaining an ideal balance between debt and equity becomes more crucial as the banking sector continues to change in response to technology breakthroughs, regulatory changes, and shifting economic conditions. This study aims to assess how capital structure affects company growth and financial performance via a thorough examination of ICICI Bank from FY2015–16 to FY2024–25. It is anticipated that the findings would offer significant suggestions for enhancing capital management procedures and encouraging long-term expansion in the Indian banking industry.

Literature Review

Modigliani and Miller (1958) [17]

The Capital Structure Irrelevance Theory was developed by Modigliani and Miller, who contended that in a perfect market, a firm's value is unaffected by its financing choices. The theory established the groundwork for further studies on optimum capital structure, despite the fact that its assumptions are impractical in real-world banking settings.

Myers (1984) [18]

Myers' Pecking Order Theory states that companies prefer internal finance over external debt and equity because of information asymmetry. The idea explains financing decisions in financial organizations, where retained earnings are often the primary source of capital expansion.

Jensen and Meckling (1976) [16]

An optimal debt-to-equity ratio can enhance organizational performance and reduce conflicts between managers and owners, according to the Agency Theory. When applied properly, leverage may enhance discipline management and shareholder value.

Titman and Wessels (1988) [24]

An optimal debt-to-equity ratio can enhance organizational performance and reduce conflicts between managers and owners, according to the Agency Theory. When applied properly, leverage may enhance discipline management and shareholder value.

Berger and Bonaccorsi di Patti (2006) [2]

The researchers examined the relationship between capital structure and bank performance using data from commercial banks. Their findings indicate that higher capital ratios improve financial performance and reduce operational risk.

Athanasoglou, Brissimis, and Delis (2008) [1]

Adequate capitalization has a beneficial impact on profitability and operational stability while reducing financial distress, according to the study's analysis of profitability factors in the banking sector.

Demirgüç-Kunt and Huizinga (1999) [3]

The authors found that well-capitalized banks are more profitable and have better financial stability, especially in emerging nations, based on global banking statistics.

Rajan and Zingales (1995) [22]

Their cross-national analysis showed that capital structure decisions are heavily influenced by business attributes including profitability, growth prospects, and firm size.

Objectives of the Study

The current study is to investigate the connection between ICICI Bank's capital structure and company growth from FY2015–16 to FY2024–25. The particular goals are:

1. To investigate ICICI Bank's capital structure during the course of the research by examining important financial metrics such shareholders' equity, capital adequacy ratio, and leverage-related metrics.
2. To examine ICICI Bank's business expansion utilizing metrics including total assets, loan advances, net profit, ROE, and earnings per share (EPS).
3. To assess, using suitable statistical methods, the connection between ICICI Bank's capital structure and company expansion.

Research Methodology

Research Design: Descriptive and Analytical Research Design

Nature of Study: Quantitative Research

Data Source: Secondary Data

Sample: ICICI Bank Limited

Sampling Technique: Purposive Sampling

Study Period: FY2015–16 to FY2024–25

Sources of Data

- ICICI Bank Annual Reports
- RBI Publications
- NSE Filings
- BSE Filings

Software Used: Microsoft Excel and IBM SPSS Statistics

Hypothesis Testing Framework

Null Hypothesis (H_{01}): There is no significant relationship between Shareholders' Equity and Business Growth (Total Assets) of ICICI Bank.

Alternative Hypothesis (H_{11}): There is a significant relationship between Shareholders' Equity and Business Growth (Total Assets) of ICICI Bank.

Data Used

Year	Total Assets	Equity	Loans	PAT	CAR	EPS	ROE
2016	7206.95	897.36	4352.64	97.26	16.6	16.75	11.3
2017	7717.91	999.51	4642.32	98.01	17.4	15.31	10.3
2018	8791.89	1051.59	5123.95	67.77	18.4	10.56	6.6
2019	9644.59	1083.68	5866.47	33.63	16.9	5.23	3.2
2020	10983.65	1165.04	6452.90	79.31	16.1	12.28	7.1
2021	12304.33	1475.09	7337.29	161.93	19.1	24.01	12.2
2022	14112.98	1705.12	8590.20	233.39	19.2	33.66	14.8
2023	15842.07	2007.15	10196.38	318.96	18.3	45.79	17.3
2024	18715.15	2383.99	11844.06	408.88	16.3	58.38	18.7
2025	21182.40	2920.76	13417.66	472.27	16.6	67.01	18.0

Source: ICICI Bank Annual Report 2024[15]–25.

Growth Analysis
Asset Growth (%)

Year	Growth %
2017	7.09
2018	13.91
2019	9.70
2020	13.89
2021	12.02
2022	14.70
2023	12.25
2024	18.13
2025	13.18

Interpretation
Over the course of the research, ICICI Bank's total assets grew steadily. FY2024 saw the greatest yearly increase (18.13%), suggesting faster growth.

Loan Growth (%)

Year	Growth %
2017	6.65
2018	10.38
2019	14.49
2020	10.00
2021	13.71
2022	17.08
2023	18.70
2024	16.16
2025	13.29

Interpretation
Over the course of the period, loan growth remained positive, indicating ongoing credit expansion.

Profit Growth (%)

Year	Growth %
2017	0.77
2018	-30.85
2019	-50.38
2020	135.84
2021	104.17
2022	44.13
2023	36.66
2024	28.19
2025	15.50

Interpretation
Due to increased provisioning and problems with asset quality, profitability varied significantly between FY2018 and FY2020 before rapidly improving starting in FY2021.

Compound Annual Growth Rate (CAGR)

Variable	CAGR
Total Assets	≈12.7%
Equity	≈14.0%
Loans	≈13.3%
Net Profit	≈19.2%
EPS	≈16.7%

Interpretation
Among the chosen variables, net profit showed the largest compound annual increase, indicating a notable rise in earnings over the course of the decade.

Descriptive Statistics

Variable	Mean	Minimum	Maximum
Total Assets	12,650.19	7,206.95	21,182.40
Equity	1,568.93	897.36	2,920.76
Loans	7,782.19	4,352.64	13,417.66
PAT	197.34	33.63	472.27
CAR	17.49	16.1	19.2
EPS	28.90	5.23	67.01
ROE	11.95	3.2	18.7

Interpretation
Over the course of the research, the descriptive statistics show a consistent rise in firm size. The range of total assets was ₹7,206.95 billion to ₹21,182.40 billion. While CAR stayed mostly steady between 16.1% and 19.2%, indicating constant regulatory capital sufficiency, net profit showed more fluctuation.

Trend Analysis
Total Assets Trend: Increasing
Equity Trend: Increasing
Loans Trend: Increasing
Profit Trend: Increasing after FY2020
Capital Adequacy Ratio Trend: Stable between 16%–19%

Statistical Test
Test Used: Pearson Correlation Analysis

Variable	Pearson Correlation (r)	p-value	Decision
Shareholders' Equity and Total Assets	0.989	< 0.001 (5.78×10^{-8})	Reject H_{01}

Interpretation
During the study period (FY2015–16 to FY2024–25), there was a very significant positive connection between shareholders' equity and total assets, as indicated by the Pearson correlation coefficient ($r = 0.989$). At the 5% threshold of significance ($\alpha = 0.05$), the p-value is less than 0.001. As a result, the alternative hypothesis (H_{11}) is accepted and the null hypothesis (H_{01}) is rejected. This finding implies that growth in ICICI Bank's total assets are substantially correlated with gains in shareholders' equity. The results show that during the course of the research, the bank's business development and expansion

have benefited from increasing the equity basis. A straightforward linear regression may be carried out using the 10-year validated dataset (FY2015–16 to FY2024–25) with:

- Equity held by shareholders is an independent variable (X).
- Total Assets (business growth) is the dependent variable (Y).

Regression Model

Total Assets=β0+β1(Shareholders' Equity)+ε

Model Summary

Statistic	Value
R	0.989
R Square (R^2)	0.979
Adjusted R Square	0.976
Standard Error of Estimate	≈ 706.5

Interpretation

A very strong positive association between shareholders' equity and total assets is indicated by the value of R = 0.989.

The R2 value of 0.979 shows that shareholders' equity accounts for 97.9% of the variance in total assets, with other factors not included in the model accounting for the remaining 2.1%.

ANOVA Table

Source	df	Interpretation
Regression	1	Model tested
Residual	8	Error term
Total	9	Total variation

Significance (p-value): < 0.001

Interpretation

Shareholders' equity is a significant predictor of total assets, according to the statistically significant regression model ($p < 0.001$).

Coefficients

Variable	Coefficient (B)	Standard Error	t-value	p-value
Constant	1807.09	612.84	2.95	0.018
Shareholders' Equity	6.911	0.361	19.13	<0.001

Regression Equation

Total Assets = 1807.09 + 6.911 x (Shareholders' Equity)

Interpretation

When all other variables are held constant, the regression coefficient (β = 6.911) shows that, on average, an increase of ₹1 billion in shareholders' equity is linked to a rise of around ₹6.91 billion in total assets. The relationship is statistically significant ($p < 0.001$), indicating that total assets, a measure of business growth, are strongly positively impacted by shareholders' equity.

97.9% of the variation in Total Assets can be explained by the regression model, indicating good explanatory power. As a result, the alternative hypothesis (H_1) is accepted and the null hypothesis (H_0) is rejected. The results show a strong positive correlation between shareholders' equity and ICICI Bank's business expansion from FY2015–16 to FY2024–25.

Conclusion

Using secondary financial data from the bank's published annual reports, the current study looked at how capital structure affected ICICI Bank's business growth from FY2015–16 to FY2024–25. Analyzing whether capital structure has affected the bank's development and financial performance throughout the chosen ten-year period was the study's main goal. Descriptive statistics, trend analysis, correlation analysis, and regression analysis were used to analyze a number of financial indicators, including Total Assets, Shareholders' Equity, Loans and Advances, Capital Adequacy Ratio (CAR), Profit After Tax (PAT), Earnings per Share (EPS), and Return on Equity (ROE).

According to the data, ICICI Bank has grown steadily and sustainably during the course of the study. The bank's overall assets grew dramatically as a result of ongoing business operations development and increasing market presence. The bank's capital foundation was strengthened, as evidenced by the significant increase in shareholders' equity brought about by retained earnings and increased profitability. The bank's increased lending capacity and ability to sustain economic activity while earning more interest revenue are demonstrated by the growth in loans and advances.

The fact that ICICI Bank continuously kept its Capital Adequacy Ratio beyond the minimal regulatory standards set by the Reserve Bank of India under the Basel III framework is one of the study's most significant conclusions. This shows that the bank has kept enough capital on hand to cover possible financial risks while still growing. The bank has been able to endure times of economic uncertainty, such as the difficulties presented by the COVID-19 epidemic, thanks to a solid capital position that has increased investor trust and boosted financial flexibility.

The trend study also shows that following FY2020, the bank's growth intensified. Higher profitability and operational efficiency were mostly attributable to improvements in asset quality, improved risk management procedures, more use of digital banking, and efficient capital management. Throughout the research period, Profit After Tax improved steadily, indicating the bank's capacity to produce constant profits in spite of changes in the economy. Similarly, Earnings per Share grew steadily, suggesting better market performance and rewards for shareholders.

Additionally, the study discovered that Return on Equity significantly increased in the later years of the research period. This demonstrates the bank's effective use of shareholders' money and its capacity to increase earnings from the capital at hand. It appears that ICICI Bank has successfully managed its capital resources to accomplish long-term business expansion without jeopardizing financial stability based on the improvement in profitability, asset growth, and shareholder returns.

The statistical research confirms that capital structure and business growth are positively correlated. The findings show that the growth of business operations, profitability, and overall financial performance are all positively impacted by a robust and balanced capital structure. A bank with enough capitalization may preserve its financial stability while expanding lending, making technological investments, bolstering risk management systems, and adhering to regulations. The Trade-off Theory, which contends that businesses may increase value by preserving an ideal balance between debt and equity financing, is in line with these results.

The report emphasizes that prudent capital structure management is a strategic strategy for attaining sustainable development in addition to being a statutory necessity for banks. Banks may enhance operational effectiveness, preserve stakeholder trust, lower financial risk, and promote long-term value development via effective management of equity and regulatory capital. Effective capital planning has been essential to ICICI Bank's ability to compete in the Indian banking market.

Numerous parties can benefit from the research's conclusions. The findings may be used by bank management to develop long-term financial policies and capital planning strategies. When assessing investment choices, shareholders and investors can have a better understanding of the connection between capitalization and financial success. The results can be used by financial analysts to evaluate banking institutions' development potential and financial stability. The study may also be helpful to regulators and policymakers in creating regulations that support proper capitalization, sustainable growth, and financial stability in the banking industry.

The study has certain limitations despite its contributions. Because it only looks at ICICI Bank, it could not accurately reflect the capital structure policies of the whole Indian banking sector. The study's results are based only on secondary data from public yearly reports, and it spans 10 fiscal years. Furthermore, external macroeconomic factors including inflation, interest rates, GDP growth, currency rate fluctuations, and shifts in monetary policy—all of which may have an impact on banking performance—are not examined in the research, which focuses mostly on financial variables.

By performing comparative studies including several public and private sector banks, extending the study time, and adding more financial and macroeconomic factors, future research can get beyond these restrictions. To get a deeper understanding of the connection between capital structure and firm growth, researchers may additionally use sophisticated econometric approaches, panel data analysis, or structural equation modeling. The comprehension of capital structure choices in the financial services industry may be further enhanced by comparative research conducted in other nations or banking systems.

The study concludes by confirming that capital structure has a major impact on ICICI Bank's financial performance and business growth. The efficacy of the bank's capital management strategies is demonstrated by the steady increase in assets, equity, profitability, lending activities, and shareholder returns. ICICI Bank has been able to accomplish sustainable expansion while maintaining financial stability and regulatory compliance by keeping an ideal balance between equity capital, retained earnings, and regulatory capital. Thus, in the contemporary banking sector, long-term performance, profitability, competitiveness, and resilience continue to be significantly influenced by efficient capital structure management. The results support the idea that sustained development and long-term value creation for all stakeholders depend on sound capitalization and careful financial management.

Suggestions

1. To improve financial resilience, ICICI Bank should keep its capital adequacy ratio far above the legal minimum.
2. To reduce the cost of capital, the bank should work to strike the best possible balance between debt and equity.
3. To promote long-term growth, internal capital generation through retained earnings should be given top priority.
4. To lessen reliance on any one type of finance, the bank should diversify its sources.
5. Investments in technology and digital banking should keep improving operational effectiveness.
6. To properly manage financial risk, leverage levels must be continuously monitored.
7. To guarantee asset quality and reduce non-performing assets, risk management procedures should be improved.
8. To preserve profitability and lower concentration risk, the bank should keep its loan portfolio balanced.
9. Future business growth and legal needs should be taken into consideration while planning capital.
10. To enhance strategic decision-making, regular financial performance evaluations and stress tests must to be carried out.

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