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Role of Report Analysis on Asset Management and Policy Evaluation: A Case Study of Bank of Kigali (2017-2023)

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Abstract

The study assessed the effect of Report Analysis on asset management and policy evaluation in Rwanda: a case of Bank of Kigali. The specific objectives of this research were to assess the report analysis practices used in Bank of Kigali; to analyze the Asset Management and Policy Evaluation of Bank of Kigali; and to find out relationship between report analysis and Asset Management and Policy Evaluation of Bank of Kigali. The researcher explored a descriptive design and correlation research design. Target population was 108 employees including the staff from departments of operational and commercial activities, compliance and risk management, HR & management department; finance and accounting of Bank of Kigali-Rwanda. The research used the varieties of sampling techniques of purposive, random and stratified to select 85 respondents as sample size. The collected data were from questionnaire and documentary instruments which were subjected to quantitative analysis using computer software, specifically the Statistical Packages for Social Sciences (SPSS) and Excel. Descriptive statistics; correlation coefficient and multiple linear regression analysis methods were used to analyze data from BK. Findings revealed that financial analysis shows a strong positive correlation with asset management and policy evaluation (Pearson Correlation = 0.689, $p < 0.01$), emphasizing the importance of financial scrutiny in effective asset management. Demonstrates a robust positive correlation (Pearson Correlation = 0.765, $p < 0.01$), suggesting that a rigorous risk evaluation framework is essential for strategic asset management and policy formulation. Market evaluations also shows a strong positive correlation (Pearson Correlation = 0.759, $p < 0.01$), indicating that market insights significantly influence asset management decisions and policy evaluations. The regression model indicates that approximately 87.8% of the variance in asset management and policy evaluation can be explained by these three predictors, with an Adjusted R-squared value of 87.3%. This robust model fit suggests high predictive power and reliability. The significant F-statistic ($F = 193.839$, $p < 0.05$) confirms the overall statistical significance of the model in predicting the effectiveness of asset management and policy evaluation. Among the predictors, financial analysis, risk assessment, and market evaluations all significantly contribute to the model, with financial analysis showing the highest relative importance (Beta = 0.484), followed by

market evaluations (Beta = 0.397) and risk assessment (Beta = 0.317). Hypothesis tests reinforced the regression findings. The significant p-values associated with financial analysis, risk assessment, and market evaluations (all $p < 0.05$) led to the rejection of the null hypotheses, confirming that these factors significantly affect the bank's asset management and policy evaluation practices. The study conclusively shows that financial analysis, risk assessment, and market evaluations are crucial determinants of asset management and policy evaluation at the Bank of Kigali.
Keywords: Report Analysis, Asset Management, Policy Evaluation, Bank of Kigali

General Introduction

Background of the Study

The report analysis are comprehensive documents that synthesize data to assess performance, risks, opportunities, or efficiency. These reports can be financial, market, or policy analysis, depending on the data reviewed and the purpose (Brady & Davies, 2020). Asset management refers to the systematic process of developing, operating, maintaining, and selling assets in a cost-effective manner. While often associated with financial assets, the term can also apply to physical and intangible assets, with the goal of maximizing value. Policy Evaluation is a systematic analysis to determine the worth or significance of a policy. This evaluation involves assessing the effectiveness and outcomes of policies to inform decisions about future policy directions, improvements, or implementation strategies (Hassan & Haddud, 2021). The evolving landscape of asset management and policy-making increasingly leverages analytical reports to drive decisions and evaluations. The integration of these elements is crucial for optimizing asset value and ensuring policies are effective and aligned with organizational or societal goals (Yang and Su, 2022). In the United States, Financial institutions have been pioneers in the adoption of sophisticated analysis tools for asset management and policy evaluation. The evolution of data analytics and machine learning techniques has enabled these institutions to process vast datasets, providing a nuanced understanding of market trends, risk factors, and performance indicators (Smith et al., 2018). The use of predictive modeling and scenario analysis has become integral to decision-making processes, allowing institutions to optimize asset allocation strategies and assess the impact of policy changes on their portfolios. This data-centric approach has not only enhanced efficiency but has also contributed to the development of more resilient financial systems (Smith et al., 2018).The East African Community, comprising countries such as Kenya, Tanzania, Uganda, Rwanda, and Burundi, represents a dynamic sub-region within Sub-Saharan Africa. EAC countries share economic integration goals, and their financial institutions operate in a context shaped by regional collaborations and cross-border interactions. The need for coordinating policy frameworks and effective asset management strategies was underscored by the interconnected nature of the EAC economies (EAC Secretariat, 2019). report analysis served as indispensable tools for financial institutions in Sub-Saharan Africa and EAC countries, offering a comprehensive understanding of market trends, risk factors, and performance indicators. By leveraging data analytics and advanced modeling techniques, these reports empower decision-makers to assess the impact of policies on economic stability, optimize asset portfolios, and enhance overall financial governance. The relevance of the report analysis is accentuated in regions where resilience and adaptability are essential for sustainable economic growth (Smith et al., 2018).

Rwanda, situated in East Africa, has emerged as a key player in the Sub-Saharan African financial landscape, demonstrating a commitment to economic development and financial sector modernization. In this context, the role of the report analysis in shaping asset management and policy evaluation in Rwanda is of particular interest. This study aims to delve into the specific dynamics within the Rwandan context, shedding light on how the report analysis contribute to decision-making within the financial sector (BNR, 2022). Rwanda, with its Vision 2050 envisions becoming a knowledge-based economy with sustainable development at its core. The country's economic policies emphasized inclusivity, innovation, and resilience. The financial sector played a pivotal role in realizing these goals, requiring sophisticated tools such as the report analysis to navigate the complexities of the global financial landscape while addressing unique regional challenges. The National Bank of Rwanda (BNR) serves as the central bank and regulatory authority overseeing the financial sector. BNR's policies and regulations influence the operations of financial institutions, including the Bank of Kigali, the largest commercial bank in Rwanda. The study explores how these institutions utilize the report analysis to align their strategies with national economic objectives, enhance risk management, and optimize asset portfolios. Rwanda's financial sector recognizes the transformative power of data-driven insights. Analysis reports, leveraging advanced analytics and modeling techniques, offer a granular understanding of market trends, customer behavior, and risk factors. Policymakers and financial institutions in Rwanda utilized these insights to formulate evidence-based policies, evaluated their effectiveness, and ensured the prudent management of assets in alignment with the country's economic development goals (BNR, 2022).

Statement of the Problem

The integration of report analysis into decision-making processes is crucial for optimizing asset management and policy evaluation within financial institutions. This is especially pertinent in Rwanda, where the financial sector is increasingly recognizing the potential of data-driven insights to shape financial policies and strategies. According to the National Bank of Rwanda (BNR, 2022) and the Vision 2050 by the Government of Rwanda, leveraging advanced analytics is key to achieving a resilient and adaptive financial sector that aligns with Rwanda's broader economic development goals. However, a significant gap exists between the ideal utilization of report analysis and the current state of practice. Challenges such as inadequate data infrastructure, cybersecurity vulnerabilities, and skill deficits restrict the full exploitation of analysis reports' potential benefits (Mugisha & Tumwebaze, 2021).

The empirical reviews from recent studies revealed critical gaps in the domain of asset management and its impact on organizational and financial performance. Tajudin, Norziaton, & Ismail (2021), highlighted inefficiencies in asset management within Malaysian government agencies despite longstanding policies, underscoring a need to delve into the root causes like maintenance practices, asset misappropriation, and training policies. Cosmulese et al (2020), pointed to the necessity for clearer reporting on intangible assets to better reflect their growing significance in corporate valuation, suggesting a gap in current reporting frameworks. Damjan Maleti et al (2020), affirmed the positive impact of Physical Asset Management (PAM) on operational performance but call for more detailed investigations into how these practices are integrated and optimized. Hiroko Oura et al (2015), expressed the concerns over potential systemic risks posed by the asset management industry, advocating for stronger regulatory oversight and macroprudential supervision. Lastly, Abdelhamid Beshara and Ghoneim (2021),

identified a significant discrepancy between current and best practices in asset management within Egypt's educational sector, emphasizing the need for sector-specific strategic frameworks. Collectively, these studies underscore a critical demand for enhanced understanding, clearer reporting, and strategic management practices in asset management across various sectors and regions, presenting a rich avenue for future research to bridge these gaps.The Bank of Kigali, as a leading entity in Rwanda's financial landscape, epitomizes the practical implications of these challenges on asset management and policy evaluation. Despite its efforts to incorporate data-driven insights into its strategic framework, the Bank of Kigali, like many other institutions in Rwanda, faces hurdles that impede optimal decision-making. This study aims to delve into how report analysis impact asset management and policy evaluation, specifically within the context of the Bank of Kigali. It sought to uncover the specific barriers to effective use of analysis reports, opportunities for enhancing their utilization, and recommendations that adhere to global best practices. By focusing on the Bank of Kigali's use of report analysis in its decision-making processes related to asset management and policy formulation, this research provided a comprehensive examination of current practices, challenges encountered, and the outcomes of these strategies. The study's objective was to furnish actionable insights for policymakers and financial institutions in Rwanda, facilitating a more effective and efficient integration of report analysis into their decision-making frameworks. Ultimately, this research aimed to bridge the gap between the current utilization of report analysis and their potential impact on the financial sector, thereby contributing to the stability and growth of Rwanda's economy.

Research Objectives

The study objectives had two categories of research objectives:

1. General Objective

The general objective of study assessed the effect of Report Analysis on Asset Management and Policy Evaluation in Rwanda: a case of Bank of Kigali

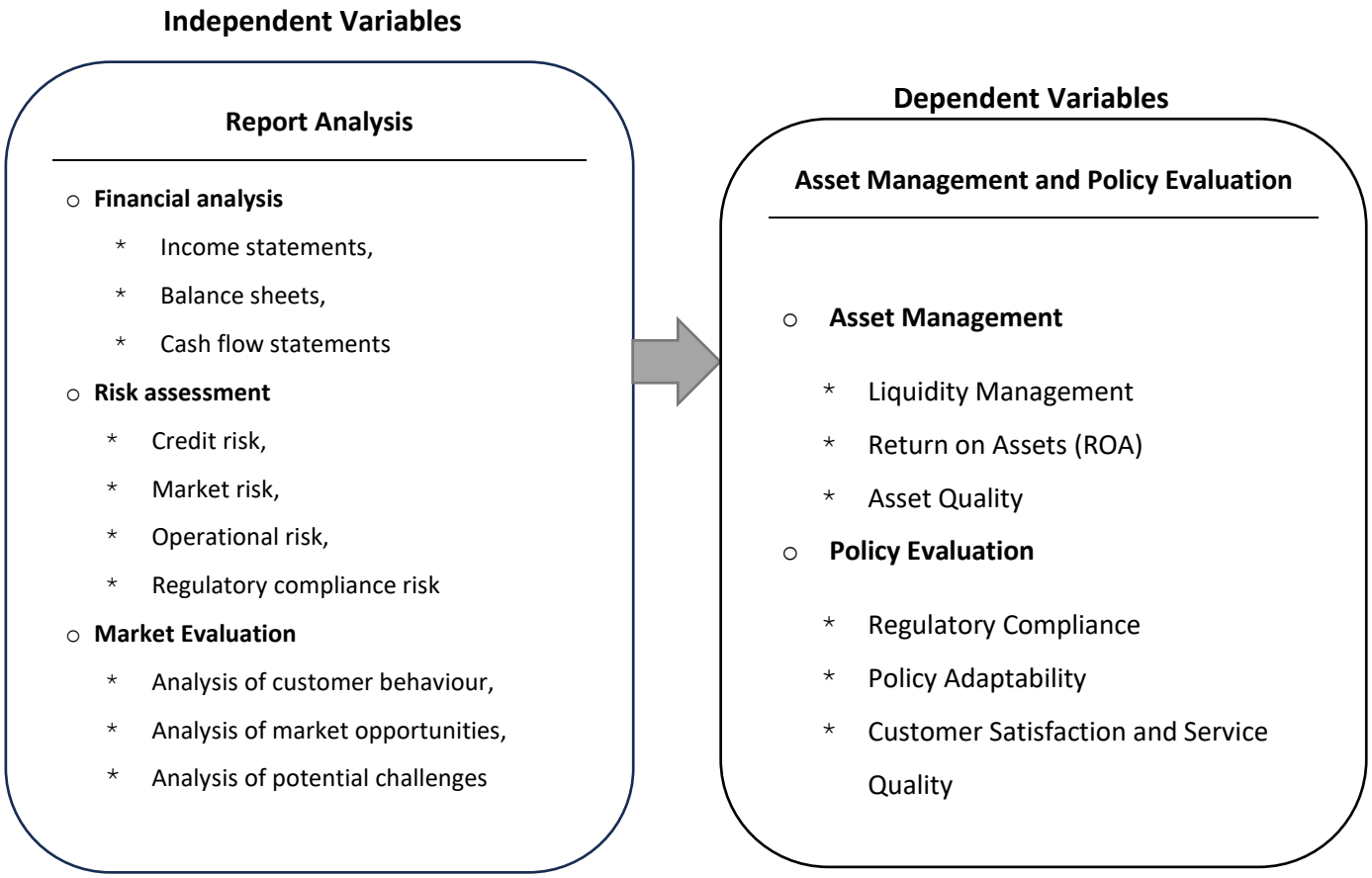
2. Specific Objectives

The specific objectives of this research are in three folds as follows:

(i) To assess the report analysis practices used in Bank of Kigali;
(ii) To analyse the Asset Management and Policy Evaluation of Bank of Kigali;
(iii) To find out relationship between report analysis and Asset Management and Policy Evaluation of Bank of Kigali;

Conceptual Framework

The study focuses on the independent variable as the Report Analysis including financial analyses, risk assessments, and market evaluations. The dependent variables in this framework are asset management and policy evaluation within the Bank of Kigali. Asset management involves the strategic allocation and optimization of financial resources, while policy evaluation pertains to assessing the effectiveness of organizational policies in achieving financial goals and regulatory compliance.



Research Methodology

Description of the Study Area

The Bank of Kigali (BK) is one of the largest commercial banks in Rwanda, playing a significant role in the country's financial sector. Founded in 1966, BK has a long-standing history of providing banking and financial services to individuals, businesses, and institutions across Rwanda. With its headquarters located in the capital city of Kigali, the bank operates a network of branches and ATMs throughout the country, serving customers in urban and rural areas alike. Headquarters Location: Bank of Kigali Headquarters, Plot No. 6192, Avenue de la Paix Kigali, Rwanda. The headquarters of the Bank of Kigali is situated in Kigali, the capital city of Rwanda. Kigali is located in the central part of the country and serves as the economic, political, and cultural hub of Rwanda. The Bank of Kigali's headquarters is specifically located in the Nyarugenge cell, within the Nyarugenge sector, Nyarugenge district, which falls under the jurisdiction of Kigali City Province.

Research Design

The researcher explored a descriptive design and correlation research design. The descriptive research designs were suitable when the primary goal is to observe, document, and describe the characteristics or behaviours of a phenomenon. In this case, the researcher wanted to provide a detailed the effect of Report Analysis on asset management and policy evaluation in Rwanda. This study applied also correlative research due to when researcher aims to

investigate the degree of association between two or more variables without manipulating them. In Cross –sectional survey, various types of data collection were used to get more information related to the study from different types of sources. The secondary data was collection from different publication, internet searching. Primary data was collected by means of questionnaire survey.

Population of the Study

The population should fit a certain specification, which the researcher is studying, and the population should be homogenous. Target population was 108 employees included by the staff from departments of operational and commercial activities, compliance and risk management, HR & management department; finance and accounting of Bank of Kigali-Rwanda.

Sample Size

A sample is as a smaller group or sub-group obtained from the accessible population. The sample is small element the representing a big group of population. Due to the fact that the population under study is statistically large than a hundred (N=108), the sample is calculated using Yamane formula with a margin error of 5% and confidence level of 95 %. This formula is written as

$n = \frac{N}{1+N(e^2)}$. where, N = Total population, n = Sample size, e = error margin (0.05).

$n = \frac{N}{1+N(e^2)} = \frac{108}{1+108*(0.05^2)} = 85$

Table 3.1
Selection of sample respondents

Concern departments	Total number	Sample Size
Operational and commercial activities	47	37
Compliance and risk management	24	19
HR & Management department	21	17
Finance and Accounting	16	13
Total	**108**	85

Sampling Techniques

The research used the varieties of sampling which include purposive, random and stratified sampling.

Stratified and Randomly Sampling Techniques

In order to get relevant answer, the stratified sampling technique was commonly used probability method that was superior to random sampling because it reduces sampling error. A stratum is a subset of the population that shares at least one common characteristic. The researcher identified the relevant strata and their actual representation in the population. Stratified sampling allowed the researcher to obtain desired representation from various sub-groups (operational and commercial activities, finance and accounting, compliance and risk management, management department) in the population. Means that, each subgroup in the selected BK and each sector were all represented in the sample.

Purposive Sampling

In conducting this research, employees from specific departments within the Bank of Kigali (BK) Headquarters served as the respondents. Selection criteria for these respondents included factors such as their educational background, job responsibilities, and tenure of employment at BK. Purposive sampling was utilized to select individuals who possess expertise and firsthand experience relevant to the research topic. Purposive sampling allowed for the deliberate selection of participants based on their qualifications and insights pertinent to the study. By targeting individuals with specialized knowledge and experience within BK, this sampling approach ensured that respondents provided valuable perspectives and insights on the effect of report analysis on asset management and policy evaluation within the banking sector. This method enabled the researcher to target specific categories of employees who were considered knowledgeable and experienced in the subject matter, thus enhanced the quality and relevance of the data collected. Additionally, purposive sampling facilitated the identification of key informants who offered rich and detailed insights, contributing to the depth of the research findings.

Data Collection Techniques and Tools

The methods were adopted for data collection of this research are mainly drawn from primary data and secondary data.

Primary Data

Questionnaire

The questionnaire was preferred in primary data because the respondents were free to give answers to the questions. Also, it was encouraging respondents to give open and straight to sensitive questions thus helping the researcher to acquire important information. The questionnaires were in English. The use of questionnaire involved a list of written questions given to the respondents. Before the respondents answered the questions, the researcher took time to explain the questionnaire. The scaling was composed of the following 1=Strongly Disagree (SD), 2=Disagree (D), 3=Neutral, 4=Agree (A) and 5=Strongly Agree (SA).

Secondary Data

The secondary data referred to data which had been already collected and analyzed by someone else. The secondary data was any document written and collected before by other purpose. The research used the reports, journals and internet.

Documentary Review

Data was revealed from documentary review especially textbooks, magazines, internet source, and any other documents that were deemed necessary and reading books. This technique allowed to collect data and information from different books, reports, texts and dissertations as well other documents. One of the main measures for that was proper documentation and transparency of the research procedures. This was ensured by outlining the theoretical framework for analysis, describing the manner of choosing the sample and by providing the questionnaire and primary sources using structured close ended questions, were the first occurrence as a point of departure for the empirical investigation.

Validity and Reliability of Instruments

Validity

Validity was crucial in research as it ensured that the study accurately captures the concept or phenomenon being investigated. It confirmed whether the results obtained truly reflect the variables under scrutiny. To enhance the validity of the research instrument, the researcher sought the experts' opinions, particularly from the study's supervisor, regarding content validity. Content validity referred to the extent to which the items included in the research instrument represented the full range of the concept being measured. One method to assess content validity was through the Content Validity Index (CVI). The CVI was calculated by determining the proportion of experts who agreed on the relevance of each item in the instrument. The formula for CVI was:

$$CVI = \frac{Number\ of\ Items\ rated\ as\ relevant}{Total\ Number\ of\ Items}$$

Number of Items rated as relevant (R) = 14
Total Number of Items (N) = 15
CVI=14/15=0.9333

So, the Content Validity Index (CVI) is 0.9333
A CVI of 0.9333 indicated that approximately 93.33% of the experts agreed on the relevance of the items within the instrument. This suggests a very high level of agreement among the experts regarding the relevance of the items. A CVI above 0.6 was typically considered excellent for content validity, indicating strong agreement among experts on the relevance of the items. This high CVI suggested that the instrument had strong content validity, and the majority of items are deemed relevant by the experts.

Reliability

Reliability referred to the consistency and stability of measurement over time or across different conditions. It assessed whether the results of a study were repeatable and consistent. In the context of this research, reliability was increased by including multiple similar items in the research instrument, testing a diverse sample of individuals, and using uniform testing procedures. One commonly used measure of reliability as Cronbach's alpha coefficient, which assessed the internal consistency of items within a scale or measure. Cronbach's alpha coefficient ranges from 0 to 1, with higher values indicating greater internal consistency among the items. A coefficient of 0.70 or above is typically considered acceptable for research purposes, indicating that the items in the instrument are highly correlated and measure the same underlying construct consistently.

Table 3.2
Legend Cronbach's Alpha test of Reliability

Cronbach's alpha	Internal consistency
$\alpha \geq 0.9$	Excellent
$0.8 \leq \alpha < 0.9$	Good
$0.7 \leq \alpha < 0.8$	Acceptable (Surveys)
$0.6 \leq \alpha < 0.7$	Questionable

$0.5 \leq \alpha < 0.6$	Poor
$\alpha < 0.5$	Unacceptable

Table 3.3
Reliability Statistics Results

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.716	.832	9

Source: *Primary data (2024)*

The Cronbach's alpha of 0.716, although in the acceptable range, could ideally be closer to or exceed .8 for higher reliability in a research context. However, the standardized alpha of .832 indicates a good level of internal consistency, suggesting that the scale is more reliable when the items are standardized. The findings from the pretest conducted with nine respondents at BK show that the questionnaire is generally reliable for further data collection.

Data Processing

Data processing involved transforming raw data into meaningful and interpretable reports using various techniques. Quality information was essential, requiring standard checks to ensure that the data accurately reflects the depicted situation. This section outlined the steps the researcher took after collecting data from the field, including editing, coding, and tabulation.

Editing

During the editing phase, the researcher carefully scrutinized and verified the collected questionnaires to identify and rectify errors, inconsistencies, and repetitions. This process ensured the integrity and accuracy of the data, making subsequent analysis simpler and more reliable. By addressing any discrepancies or inaccuracies early on, the researcher enhanced the quality of the final analysis and interpretation.

Coding

Coding involved summarizing data by categorizing different responses into distinct categories for easier interpretation. Each response was assigned a unique symbol or number for identification purposes, facilitating the organization and analysis of data. By coding the responses, the researcher condensed complex information into manageable categories, allowing for more efficient analysis and comparison across different variables or groups.

Tabulation

Tabulation entailed organizing data into statistical tables that visually represent the frequency and distribution of responses to each question. These tables presented the number of occurrences of each response category, providing a clear overview of the data. Additionally, tabulated data was presented in terms of percentages, allowing for comparisons and insights into the relative prevalence of different response categories. This visual representation enhanced the interpretability of the data and enables the researcher to identify patterns, trends, and relationships more effectively.

Data Analysis Methods

In this study, Statistical Package for Social Sciences (SPSS) version 23.0, and excel were used by researcher in processing and analysis of data which inform the presentation of findings, analysis and interpretation. The presentation focused on the research questions, the kind of statistical treatment depends upon the nature of the problem, especially the specific and the nature of data gathered. The data collected, were analyzed, with respect to the study objectives, using both descriptive and comparative research design. The tools of analysis were adopted in this study is statistical Package for Social Sciences (SPSS) version 23.0 for descriptive data.

Mean (X)

The most common expression for the mean of a statistical distribution with a discrete random variable is the mathematical average of all the terms. To calculate it, add up the values of all the terms and then divide by the number of terms. This expression was also called the arithmetic mean. The mean of a statistical distribution with a continuous random variable, also called the expected value, was obtained by integrating the product of the variable with its probability as defined by the distribution.

Table 3.4
Evaluation of mean

Mean	**Evaluation**
1.00 -2.49	Very weak
2.50 -3.49	Weak
3.50 -4.49	Strong
4.50 - 5.00	Very Strong

Source: Aggresti (2020) Evaluation of mean

The Standard Deviation (σ)

Standard deviation was calculated as the square root of variance. The standard deviation was used in order to measure the degree of dispersion (homogeneity if is less than 0.5 or heterogeneity if is great than 0.5) of responses were collected.

Table 3.5
Evaluation standard deviation

Standard deviation	**Evaluation**
$\sigma > 0.5$	Heterogeneity
$\sigma = 0.5$	Moderate
$\sigma < 0.5$	Homogeneity

Correlation Coefficient

The correlation is positive or direct when two variables move in the same direction and negative or inverse when they move in opposite directions. It represents how closely two variables co-vary; it can vary from -1 (perfect negative correlation) through 0 (no correlation) to +1 (perfect positive correlation) (Morgan, 2016). This is shown through the finding of the correlation coefficient was concerned with the collection and interpretation of quantitative data and the use of probability theory.

Table 3.6
Evaluation of correlation

Correlation coefficient (positive or negative)	**Label/positive or negative**
r=1	Perfect linear correlation
0.9 < r < 1	Positive strong correlation
0.7 <r < 0.9	Positive high correlation
0.5 < r < 0.7	Positive moderate correlation
0< r < 0.5	Weak correlation
r=0 No	relationship
-1 <r = < 0	Negative relationship

The coefficient of correlation is numerical value ranges from +1.0 to -1.0. In general, r > 0 indicates positive relationship, r < 0 indicates negative relationship while r = 0 indicates no relationship (or that the variables are independent and not related). r = +1.0 describes a perfect positive correlation and r = -1.0 describes a perfect negative correlation. Closer the coefficients are to +1.0 and -1.0, greater is the strength of the relationship between the variables.

Multiple linear regression analysis models were adopted to show relationships using equation econometric models where x is independent variable represented by the report analysis while y was dependent variable as asset management and policy evaluation.
x1: Financial analysis (FA)
x2: Risk assessment (RI)
x3: Market Evaluations (ME)
Therefore, y=f(x); $Y= \beta 0+ \beta 1\chi 1+ \beta 2\chi 2+ \beta 3\chi 3+\varepsilon$,
β0: is the y-intercept; β1-β3: are the slopes of the line; ε: is an error term

Data Presentation
This chapter discloses the outcomes derived from a comprehensive survey aimed at exploring the effect of report analysis on asset management and policy evaluation, particularly within the framework of the Bank of Kigali. Eighty-five participants were engaged through accurately designed questionnaires, with a generous response rate of 100.0% within a two-weeks. This robust engagement facilitated seamless progression into subsequent phases, including data refinement, coding, entry into the IBM SPSS 23.0 dataset, and careful tabulation, ending in the creation of insightful statistical tables and graphs. The findings are accurately aligned with the research objectives which evaluate the report analysis practices used in the Bank of Kigali; to find out the asset management and policy evaluation in Bank of Kigali; and to assess the relationship between report analysis practices and asset management and policy evaluation in Bank of Kigali. Through this meticulous presentation and analysis, this chapter endeavors to enrich our understanding of the intricate dynamics surrounding asset management and policy evaluation, particularly within the context of the esteemed Bank of Kigali.

Socio-Demographic Characteristic of Respondents
This sub-section displayed the findings on the age, gender, educational level, and experiences of respondents.

Table 4.1
Distribution of respondents by Age

Age of respondents		Frequency	Percent
Valid	20-29 years	22	25.9
	30-39 years	14	16.5
	40-49 years	32	37.6
	50-59 years	17	20.0
	Total	85	100.0

Source: Primary data (2024)

The largest proportion of respondents falls within the age range of 40-49 years, constituting 37.6% of the total sample. This suggests that middle-aged individuals are prominently represented in the survey, indicating potential implications for the perspectives and experiences reflected in the findings.

Table 4.2
Gender of respondents

		Frequency	Percent
Valid	Female	60	70.6
	Male	25	29.4
	Total	85	100.0

Source: Primary data (2024)
The data indicates a notable predominance of female respondents, who account for 70.6% of the total sample. The substantial representation of female respondents suggests their active engagement and participation in the banking sector, potentially reflecting their significant contributions to decision-making processes and operational dynamics within financial institutions.

Table 4.3
Highest Education Level of respondents

		Frequency	Percent
Valid	Diploma (A1)	18	21.2
	Bachelor’s degree (A0)	59	69.4
	Master’s degree and above	8	9.4
	Total	85	100.0

Source: Primary data (2024)

The data highlights a predominant representation of individuals with bachelor's degrees, constituting 69.4% of the total sample. Furthermore, the inclusion of respondents with diplomas (A1) and advanced degrees (master's and above) at 21.2% and 9.4%, respectively, adds depth to the educational diversity of the sample.

Table 4.4
Experience in BK services

		Frequency	Percent
Valid	Less than a year	6	7.1
	1-5 years	25	29.4
	5-10 years	40	47.1
	Over 10 years	14	16.5
	Total	85	100.0

Source: Primary data (2024)

A significant proportion of respondents, constituting 47.1% of the total sample, report having 5-10 years of experience in BK services. This suggests a substantial presence of mid-career professionals within the surveyed population.

Findings on the Objectives of the study

Findings on the Reports analysis practices used in Bank of Kigali

Financial analysis serves as a cornerstone in the strategic decision-making processes of institutions, offering invaluable insights into various aspects of asset management and policy evaluation. Within the context of the Bank of Kigali, the effectiveness of financial analysis in informing asset management strategies and policy evaluation mechanisms has been systematically examined. The findings reveal that income statements, balance sheets, and cash flow statements play pivotal roles in providing decision-makers with comprehensive perspectives on revenue generation, financial position, and cash flow dynamics within the Bank of Kigali. The financial documents serve as foundational tools, enabling decision-makers to assess the performance of various assets, allocate resources effectively, and make informed strategic decisions. The report analysis derived from income statements, balance sheets, and cash flow statements further enhance decision-making processes by offering detailed insights into asset performance, allocation inefficiencies, and liquidity risks.

Findings on the asset management and policy evaluation in Bank of Kigali

In examining the indicators of asset management and policy evaluation within the Bank of Kigali, respondents' perceptions shed light on various facets of the organization's operational framework. Table 4.8 and table 4.9 present the findings, capturing the mean and standard deviation for key statements regarding asset management and policy evaluation, respectively. The findings reveal positive perceptions regarding various indicators of asset management within the Bank of Kigali. Respondents acknowledge the organization's efficient liquidity management, maximization of return on assets (ROA), and maintenance of high asset quality. Additionally, the diversified loan portfolio composition, effective asset-liability management (ALM), and strategic investment strategy are perceived positively, indicating sound practices in asset management.

The Relationship between Report Analysis and Asset Management and Policy Evaluation Employed by the Bank of Kigali

In the section of inferential analysis statistics, the normality test analysis was conducted to examine the distribution of data for asset management and policy evaluation employed by the Bank of Kigali. The analysis involved assessing the normality of the data through various

tests, including the Kolmogorov-Smirnov and Shapiro-Wilk tests. Furthermore, descriptive statistics were provided to summarize the central tendency, dispersion, and shape of the distribution of the data. The mean for asset management and policy evaluation was 202.8871, with a standard deviation of 15.77232, indicating variability in the responses. The skewness value of -1.047 and kurtosis value of 2.185 suggest a skewed distribution with heavier tails.
Correlation analysis was conducted to examine the relationships between financial analysis, risk assessment, market evaluations, analysis reports, and asset management and policy evaluation. The results revealed significant positive correlations between these variables, indicating that financial analysis, risk assessment, and market evaluations are positively associated with asset management and policy evaluation.

Normality Test Analysis
The normality test analysis provides crucial insights into the distribution characteristics of the data pertaining to asset management and policy evaluation employed by the Bank of Kigali. Normality tests are essential in statistical analysis to assess whether the data follows a normal distribution, which is a fundamental assumption for many statistical techniques.

Correlations Coefficient Matrix
The correlations coefficient matrix, as presented in table 4.12, provides valuable insights into the relationships between different variables related to financial analysis, risk assessment, market evaluations, analysis reports, and asset management and policy evaluation employed by the Bank of Kigali. This matrix illustrates the Pearson correlation coefficients between each pair of variables, indicating the strength and direction of their linear relationships. The correlation coefficient ranges from -1 to 1, where a value closer to 1 signifies a strong positive correlation, a value closer to -1 indicates a strong negative correlation, and a value around 0 suggests no linear correlation.

In this context, the correlation coefficients reveal the degree of association between variables. For example, a correlation coefficient of 0.689** between financial analysis (FA) and asset management and policy evaluation indicate a strong positive correlation, suggesting that as financial analysis increases, asset management and policy evaluation also tend to increase. Furthermore, significance levels (Sig.) associated with correlation coefficients indicate whether the observed correlations are statistically significant. A significance level of 0.05 or lower suggests that the correlation is unlikely to have occurred by chance alone, adding confidence to the observed relationships.

The statistical analysis conducted on the relationship between various factors of analysis reports, like financial analysis, risk assessment, market evaluations, and asset management and policy evaluation at the Bank of Kigali reveals compelling insights. Firstly, financial analysis exhibits a strong positive correlation with asset management and policy evaluation (Pearson Correlation = 0.689, $p < 0.01$). This indicates a significant relationship between financial scrutiny and the effectiveness of managing assets and evaluating policies within the bank. With a p-value below the standard significance level of 0.05, this correlation underscores the importance of comprehensive financial analysis in driving informed decision-making regarding asset management and policy evaluation.Similarly, risk assessment demonstrates a robust positive correlation with asset management and policy evaluation (Pearson Correlation = 0.765, $p < 0.01$). This suggests that rigorous evaluation and mitigation of risks

play a pivotal role in shaping the bank's asset management strategies and policy evaluation frameworks. The p-value below the standard significance level underscores the statistical reliability of this correlation, indicating that risk assessment significantly contributes to effective asset management and policy evaluation practices. Moreover, market evaluations showcase a strong positive correlation with asset management and policy evaluation (Pearson Correlation = 0.759, $p < 0.01$). This highlights the significance of market analysis and insights in guiding asset management decisions and policy evaluation processes within the Bank of Kigali. With a p-value below the standard threshold, this correlation reinforces the critical role of market evaluations in driving effective management and evaluation practices. In conclusion, the findings underscore the critical importance of financial analysis, risk assessment, market evaluations from the report analysis in shaping asset management and policy evaluation practices at the Bank of Kigali.

Multiple Linear Regression Analysis

The multiple linear regression analysis conducted in this study explores the relationship between various predictor variables including Financial Analysis (FA), Risk Assessment (RI), and Market Evaluations (ME), and the dependent variable, asset management and policy evaluation, employed by the Bank of Kigali. The Model Summary (Table 4.13) provides crucial insights into the overall performance of the regression model. The coefficient of determination (R-squared) indicates that approximately 87.8% of the variance in asset management and policy evaluation can be explained by the predictor variables included in the model. The Adjusted R-squared value, which considers the number of predictors in the model, suggests that 87.3% of the variance is explained, indicating a robust fit. Additionally, the standard error of the estimate provides an indication of the accuracy of the predictions made by the model.

ANOVA (Table 4.14) further examines the overall significance of the regression model. The significant F-statistic ($F = 193.839$, $p < 0.05$) suggests that the regression model as a whole is statistically significant in predicting Asset Management and Policy Evaluation. This indicates that at least one of the predictor variables significantly contributes to the variance in the dependent variable. Regression Coefficients (Table 4.15) provide insights into the individual contributions of each predictor variable to the dependent variable. The unstandardized coefficients (B) indicate the change in the dependent variable for a one-unit change in the predictor variable, holding other predictors constant. Standardized coefficients (Beta) provide a measure of the relative importance of each predictor variable. The findings reveal that all three predictor variables financial analysis (FA), risk assessment (RI), and market evaluations (ME) significantly predict asset management and policy Evaluation ($p < 0.05$). Specifically, financial analysis (FA) exhibits the highest standardized coefficient (Beta = 0.484), followed by Market Evaluations (ME) (Beta = 0.397) and risk assessment (RI) (Beta = 0.317), indicating their relative importance in influencing asset management and policy evaluation at the Bank of Kigali. Overall, the Multiple Linear Regression Analysis provides valuable insights into the predictive power of Financial Analysis, risk assessment, and market evaluations on asset management and policy evaluation practices within the Bank of Kigali.In table 4.13, the model summary presents key statistical indicators to assess the performance of the regression model predicting asset management and policy evaluation. The correlation coefficient (R) measures the strength and direction of the linear relationship between the predictor variables (financial analysis, risk assessment, market evaluations) and the dependent variable (asset

management and policy evaluation). In this model, R = 0.937, indicating a strong positive correlation between the predictor variables and the dependent variable. The coefficient of determination (R-squared) represents the proportion of variance in the dependent variable that is explained by the predictor variables. Here, R Square = 0.878, indicating that approximately 87.8% of the variance in Asset Management and Policy Evaluation is accounted for by the predictor variables included in the model. Adjusted R-squared adjusts for the number of predictors in the model and provides a more accurate estimate of the proportion of variance explained. The Adjusted R Square value is 0.873, suggesting that about 87.3% of the variance in the dependent variable is explained by the predictor variables, considering the model's complexity. Also known as the standard error of the regression, this metric estimates the standard deviation of the residuals, representing the accuracy of the predictions made by the model. Here, the Std. Error of the Estimate is 5.61612, indicating the average amount that the observed values deviate from the predicted values by approximately 5.62 units. Overall, the Model Summary suggests that the regression model with financial analysis, risk assessment, and market evaluations as predictor variables has a strong explanatory power, with a high proportion of variance in asset management and policy evaluation being accounted for by these predictors.

Table 4.14 presents the results of the Analysis of Variance (ANOVA) for the regression model predicting Asset Management and Policy Evaluation. This represents the sum of squared differences between the predicted values of the dependent variable and the mean of the dependent variable. In this model, the Regression Sum of Squares is 18341.549. This indicates the sum of squared differences between the observed values of the dependent variable and the predicted values from the regression model. Here, the Residual Sum of Squares is 2554.806. This is the sum of squared differences between the observed values of the dependent variable and the mean of the dependent variable. The Total Sum of Squares is 20896.356. Degrees of Freedom (df) represent the number of independent pieces of information remaining after estimating one or more parameters in the model. In this ANOVA table, there are 3 degrees of freedom for the Regression (number of predictors minus 1) and 81 degrees of freedom for the Residual (total number of observations minus the number of predictors). Mean Square is obtained by dividing the Sum of Squares by its corresponding degrees of freedom. For the Regression, the Mean Square is 6113.850, and for the Residual, it is 31.541. The F-value is the ratio of the Mean Square for Regression to the Mean Square for Residuals. It tests the overall significance of the regression model. Here, the F-value is 193.839. The significance value (p-value) associated with the F-test indicates whether the regression model as a whole is statistically significant. In this case, the p-value is .000, denoted as "Sig." in the table. It suggests that the regression model is significant at the 0.05 significance level. Overall, the ANOVA results indicate that the regression model, which includes Financial Analysis, Risk Assessment, and Market Evaluations as predictors, significantly predicts Asset Management and Policy Evaluation at the 0.05 significance level.

Table 4.15 provides the regression coefficients for the model predicting asset management and policy evaluation, with financial analysis (FA), risk assessment (RI), and market evaluations (ME) as the independent variables. The intercept term (Constant) indicates the predicted value of asset management and policy evaluation when all independent variables are zero, yielding a value of 43.123. Each independent variable's coefficient represents the change in the dependent variable for a one-unit increase in that variable while holding other

variables constant. Financial analysis (FA) has a coefficient of 1.391, implying that for every one-unit increase in financial analysis, asset management and policy evaluation is predicted to increase by 1.391 units. Similarly, a one-unit increase in risk assessment (RI) corresponds to a predicted increase of 1.189 units in asset management and policy evaluation, as indicated by its coefficient of 1.189. Market evaluations (ME) also positively influence asset management and policy evaluation, with a coefficient of 1.358, meaning that a one-unit increase in Market Evaluations is associated with a predicted increase of 1.358 units in asset management and policy evaluation. The standardized coefficients (Beta) provide a measure of the relative importance of each predictor. Financial analysis (FA) has the highest Beta value of 0.484, followed by market evaluations (ME) with a Beta of 0.397, and risk assessment (RI) with a Beta of 0.317, indicating their respective contributions to the model. All coefficients are statistically significant at the 0.05 level, as evidenced by their low p-values (Sig. = 0.000), indicating that all three independent variables significantly contribute to predicting asset management and policy evaluation in the model. This suggests that financial analysis, risk assessment, and market evaluations play crucial roles in influencing asset management and policy evaluation practices employed by the Bank of Kigali.

Hypothesis Test Results

For testing the research hypotheses formulated for the study, the researcher employed hypothesis testing techniques using the results obtained from the regression analysis. Financial analysis has no significant effect on asset management and policy evaluation employed by the Bank of Kigali. To test this hypothesis, we examine the significance of the coefficient associated with financial analysis (FA) in the regression model. In Table 4.15, the p-value for financial analysis (Sig. = 0.000) is less than the standard significance level of 0.05. Therefore, we reject the null hypothesis (Ho1) and conclude that financial analysis has a significant effect on asset management and policy evaluation employed by the Bank of Kigali. Risk assessment does not significantly contribute to asset management and policy evaluation employed by the Bank of Kigali. Similarly, we assess the significance of the coefficient for risk assessment (RI) in the regression model. In Table 4.15, the p-value for Risk Assessment (Sig. = 0.000) is less than 0.05. Thus, we reject the null hypothesis (Ho2) and conclude that Risk Assessment significantly contributes to asset management and policy evaluation employed by the Bank of Kigali. Market evaluations have no significant influence on asset management and policy evaluation employed by the Bank of Kigali. For this hypothesis, we analyze the significance of the coefficient associated with market evaluations (ME) in the regression model. In Table 4.15, the p-value for market evaluations (Sig. = 0.000) is less than the 0.05 significance level. Hence, we reject the null hypothesis (Ho3) and conclude that market evaluations have a significant influence on asset management and policy evaluation employed by the Bank of Kigali. Overall, based on the regression analysis results and hypothesis testing, we find evidence to support the hypotheses that financial analysis, risk assessment, and market evaluations significantly impact asset management and policy evaluation practices at the Bank of Kigali. These findings underscore the importance of these factors in guiding decision-making processes within the bank's operations.

Conclusion

The exhaustive investigation into the interplay among financial analysis, risk assessment, and market evaluations, and their impact on asset management and policy evaluation at the Bank of Kigali, offers profound insights. Through rigorous statistical analyses, the study reveals the

pivotal roles of these factors in shaping the bank's strategic and operational landscapes. Key statistical findings underscore the significance of financial scrutiny in effective asset management, with a robust positive correlation observed. Likewise, rigorous risk evaluation emerges as essential for strategic asset management and policy formulation. Market insights also wield substantial influence, significantly shaping asset management decisions and policy evaluations. The regression model further validates these relationships, indicating a high level of predictive power and reliability. The model's significant fit and overall statistical significance affirm the importance of financial analysis, risk assessment, and market evaluations in predicting the effectiveness of asset management and policy evaluation. Hypothesis tests bolster these findings, confirming that these factors significantly impact the bank's practices in these domains.

Conclusively, the study demonstrates that financial analysis, risk assessment, and market evaluations are indispensable determinants of asset management and policy evaluation at the Bank of Kigali. Integrating these elements into strategic planning and operational frameworks not only facilitates informed decision-making but also enhances the bank's ability to navigate internal and external financial landscapes adeptly. This research underscores the imperative for the Bank of Kigali to sustain and fortify its competitive edge by continuing to leverage comprehensive financial analytics, meticulous risk assessments, and profound market evaluations.

Recommendations

Based on the findings of the study on asset management and policy evaluation at the Bank of Kigali, the following recommendations were suggested.

* Invest in strengthening the bank's financial analysis capabilities by providing training programs and resources to staff members. This ensures a more comprehensive understanding of financial performance metrics and enable more informed decision-making regarding asset management and policy evaluation.
* Develop and implement robust risk assessment frameworks that consider various types of risks, including credit risk, market risk, operational risk, and regulatory compliance risk. This helps the bank to proactively identify and mitigate potential risks associated with asset management strategies and policy evaluation processes.
* Enhance market evaluation practices by leveraging advanced analytics tools and techniques to gather and analyze market data effectively. This will enable the bank to identify emerging market trends, capitalize on lucrative investment opportunities, and make informed decisions regarding asset allocation and expansion into new markets.
* Foster collaboration between different departments within the bank, including finance, risk management, and marketing, to ensure a holistic approach to asset management and policy evaluation. Encourage cross-functional teamwork and information sharing to leverage diverse expertise and perspectives in decision-making processes.
* Establish a process for regularly reviewing and updating asset management and policy evaluation policies in line with changing market conditions, regulatory requirements, and organizational goals. This will ensure that the bank remains agile and adaptive to evolving circumstances, thereby enhancing its competitiveness and resilience in the long run.

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