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# **Strategic Development and Brand Establishment in the Insurance Sector of Rwanda: A Case Study of Soras Insurance Company**

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## **ABSTRACT**

Organizations are understandably concerned with managing their "Corporate Image." This research on corporate strategy and building of corporate image is integrated to create a framework which identifies the factors that influence insurance Companies in corporate image formation. Managerial implications were discussed, and guidelines were proposed for strategically planning and effectively managing of a corporate image. The main objective to the study is to assess the strategies employed by insurance companies in Rwanda to build their corporate image. The specific objectives to the study are to assess strategies undertaken by SORAS in building its image to the public; to determine how SORAS Company measures its image from the general public; to establish relationship between corporate strategy and corporate image. This research targeted a population of 5340 where 5215 are customers and 125 are SORAS employees, and then, sample size was 141. The researcher used questionnaire and then both primary and secondly data were used during this research. The distribution of the questionnaires was done by the researcher and their collection was done after they were completely filled. The data were analyzed using Statistical packaging for social science (SPSS) computer program. The percentage and frequencies was represented in terms of tables. This research found that the benefits of corporate strategies in insurance companies of Rwanda this research concluded that corporate strategy is used in improvement of accounting and financial management system, so that the level of accurate information should be improved in insurance companies; the majority of respondents agreed that commitment of management to the operation of the system is among of the benefits SORAS get from corporate strategy. This implies that corporate strategies are a useful tool in management commitment and organizational operations. This research concluded that improvement of accountability is among of roles played by corporate image in insurance companies. Therefore, accountability is one of the cornerstones of corporate image; however, it can be difficult for practitioners alike to navigate the myriad of different types of accountabilities. Accountability ensures actions and decisions taken by public officials are subject to oversight so as to guarantee that SORAS initiatives meet their stated objectives and respond to the needs of the community they are meant to be benefiting, thereby contributing to better governance. This research concluded that corporate strategy affects positively SORAS governance. Therefore, through present research the researcher analyzed the statements regarding the corporate strategy in corporate governance. The researcher analyzed effectiveness of corporate strategy in SORAS. Corporate strategies represent all the approved policies and procedures used by the SORAS management in order to achieve an effective management and governance of the institution. Lack of corporate strategies and their deficient operation make companies vulnerable to a number of risks, such as improper recording of accounting transactions, making unauthorized transactions, fraud, all these having a significant impact on governance.

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## INTRODUCTION

Corporate image in different countries is formed based on stakeholder perceptions of specific company actions as well as associated industry and country issues. To a great extent, this image influences stakeholders' reactions to specific corporate actions, products or stores. Using the consumer stakeholder as an example, the products and services consumers in Canada are seen to have personal and social meanings in addition to functional utility. Products and services are recognized as psychological things, as symbolic of personal attributes, goals, and strivings [1]. The values and emotions symbolized by the organization become key elements of differentiation strategies, and the corporation itself moves center stage. Support for the shift to corporate branding often comes from within marketing [2]. In United Kingdom, organizations are understandably concerned with managing their "Corporate Image." There is a strong positive correlation between people's perceptions of a company and pro-corporate supportive behavior in developed countries. Each corporation has an "image" whether the company does anything about it or not. Corporate image is formed based on stakeholder perceptions of specific company actions as well as associated industry and country issues [3]. To a great extent, this image influences stakeholders' reactions to specific corporate actions, products or services. Using the consumer stakeholder as an example in Nigeria, the products and services consumers buy are seen to have personal and social meanings in addition to functional utility. Products and services are recognized as psychological things, as symbolic of personal attributes, goals, and strivings. Thus, making a purchase involves an assessment (either implicit or explicit) of this symbolism [4].

The significance of corporate image is based on the notion that, if it is important to be concerned with the psychological overtones and impact on consumer attitudes of the company's brands, then it is also important to be concerned with these factors as they affect the company itself. In Kenya, corporate images are selectively perceived mental pictures of an organization. The sum total of these perceived characteristics of the corporation is what we refer to as the "corporate image [5]. While interacting with an organization many stakeholders lack both the capacity and inclination to gather accurate information about the organization. In such instances, corporate image serves as a useful substitute for tangible facts [6]. Corporate reputation affects the way in which various stakeholders behave towards an organization, influencing, for example, employee retention, customer satisfaction and customer loyalty [7]. In Rwanda, corporate reputation emerges from the images held by various publics of an organization. A positive image can result in a number of beneficial consequences that ultimately facilitate better corporate performance [8]. One promising area for Rwanda's development and local business promotion is the creation of domestic export, insurance agencies providing guarantees for lending at commercial financial institutions. The World Bank launched the African Trade Insurance Agency (ATI) in 2001, with additional backing of seven African countries, including Rwanda. The agency provides export credit insurance, political risk insurance, investment insurance and other financial products to assist in business risk and cost reduction. Despite starting its activities in Rwanda as early as 1984, SORAS's corporate image has been built of recent after starting services like MEDIPLAN, Automobile Insurance and Life insurance [9]. It is against this background that the researcher thought of discovering the problems behind corporate image building. This research is set out to find the strategies applied by insurance companies in Rwanda in corporate image building and formation. The scope of this research is limited to SORAS insurance Company.

### Objectives of the Study

To assess the strategies employed by insurance companies in Rwanda to build their corporate image.

#### Specific Objectives

- a) To assess the benefits of corporate strategy systems in SORAS.
- b) To analyze the role of building corporate image in Rwandan insurance companies.
- c) To investigate the relationship between corporate strategy and building corporate image in SORAS.

#### Research Questions

To assess the above basic objective, the specific aims of the research focused on answering the following questions:

- a) What are the benefits of corporate strategy systems in SORAS?
- b) What is the role of building corporate image in Rwandan insurance companies?
- c) Is there any relationship between corporate strategy and building corporate image in SORAS?

#### Theoretical Framework

This study will be guided by the theory of [10]; according to [11] Paul Krugman [10], postulated that a larger market arising either by assumption or through eliminating restrictions on international trade and investment,

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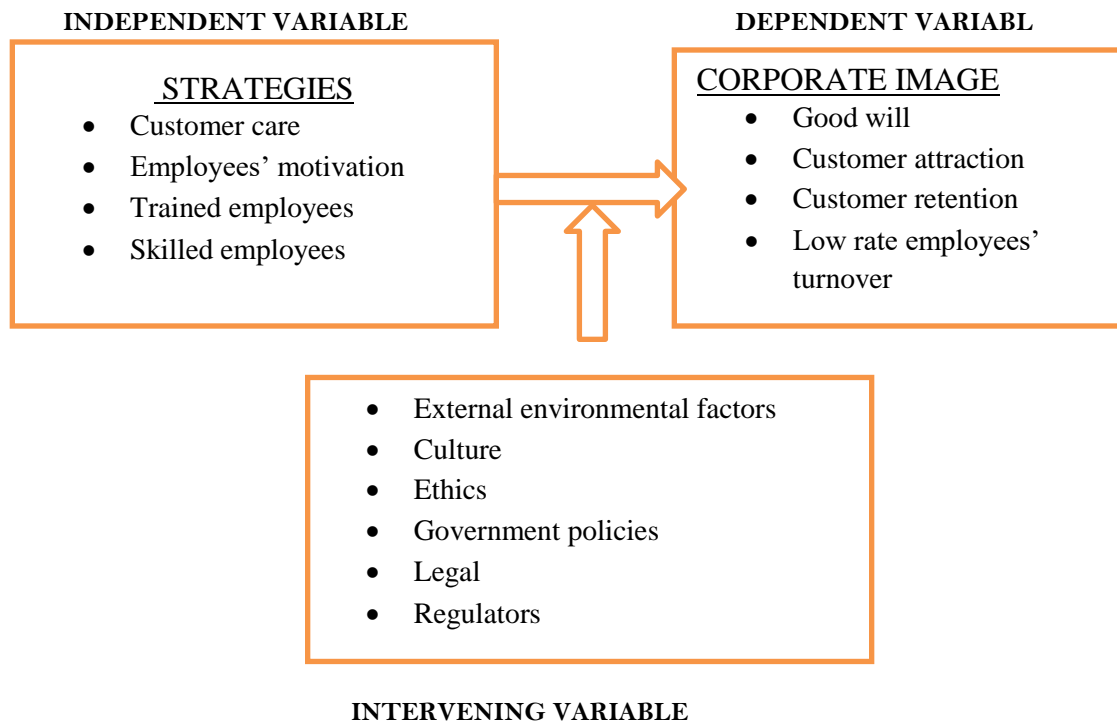
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lowers the markup and increases firm scale in the oligopolistic model but has no markup or scale effect in the business environment. He thereby emphasizes the role of industrial structure as an issue of central importance in measuring the determinants and welfare effects of FDI flows. The foreign investors have a lower screening cost in one of two or more industries. Therefore, each country is somewhat specialized in the sense that it has expertise that helps its residents to discern the true productivity of firms worldwide in a particular industry relatively cheaply, a type of comparative advantage. A lower screening cost increases the value of a potential target for foreign investors, allowing them to bid more than domestic investors to acquire a firm in the industry of foreign expertise.

**Conceptual Framework**

Conceptual frameworks, according to educational researcher [12], are structured from a set of broad ideas and theories that help a researcher to properly identify the problem they are looking at, frame their questions and find suitable literature. Most academic research uses a conceptual framework at the outset because it helps the researcher to clarify his research question and objectives. This research recognized the different factors that lead to insurance strategies and corporate image. According to figure 2.1, the independent variable (insurance strategies) facilitates the performance of dependent variable (corporate image). Apart from dependent and independent variables, there is an intervening variable with other influences on financial performance, like external environmental factors such as; political, economic, social, technology, ethics, culture, and demography. These can be represented under the figure 1

**Figure 1: Conceptual Framework**



Source: Researcher (2014)

**METHODOLOGY**  
**Research Design**

Research design is a detailed outline of how an investigation took place. A research design typically included how data is to be collected, what instruments was employed, how the instruments were used and the intended means for analyzing data collected [13]. This research was designed under case study and used descriptive and inferential that were supported by both qualitative and quantitative methods to describe the relationship between the variables under the study, which are insurance strategies and corporate image. Qualitative Method is concerned with qualitative phenomena that relates to quality and kind, which include views, opinions, feelings, perceptions, and intentions of different people. It aims at discovering the reality, motives and desires by using questionnaire [14]. Quantitative method is based on the measurement of quantity or amount, applicable to the phenomena that can be expressed in terms of quantity, it allowed the researcher to focus on variables that can be expressed mathematically which enabled him to analyze and get exact information required with minimum errors. The researcher collected primary data and make documentary analysis for secondary data. The design of this research was descriptive research design with the aim of getting all the required qualitative and quantitative information.

**Target Population**

According to [15], a population is the totality of persons or objects with which a study is concerned. And then, a population is the mass of units of analysis about which, the researcher measured the variables. The population of this research was 5340 responds including 5215 SORAS insurance company’s customers and 125 employees of SORAS insurance company.

**Table 1: Target Population**

| <b>Target population category</b> | <b>Population under Study</b> |
|-----------------------------------|-------------------------------|
| SORAS customers                   | 5215                          |
| SORAS employees                   | 125                           |
| Total                             | 5340                          |

Source: SORAS, 2014

The researcher has chosen a population of customers and employees of SORAS insurance company, because they deal with SORAS activities of their day-to-day operations.

**Sample Design**

Sample is a subset or portion of the total population under study. This part concerns the sample size and sampling procedures used to come up with the sample size. In practice, the sample size used in a study is determined based on the expense of data collection, and the need to have sufficient statistical power. It is not potential to collect data from the whole population due to the time and financial constraints.

**Sample Size**

The level of precision or sampling error was 8.3% and 91.7% confidence level, total population was 5340, the sample size was selected using the Yamane formula

### Sampling Techniques

The choice of sampling technique is based on the feasibility and sensibility of collecting data to answer the research questions and to address the objectives. This study is going to use purposive sampling method. Purposive sampling was used by the researcher with his or her own judgment about which respondents to choose, and picks only who best meet the purpose of the study and it refers to non-probability sample that is often called a judgmental sample.

**Table 2 Purposive Sampling Technique**

| Population category                     | Sample size | Purposive sampling technique |
|---|-------------|------------------------------|
| SORAS employees                         | 4           | Human resource department    |
|   | 10          | CSR department               |
|   | 15          | Marketing department         |
|   | 5           | Financial managers           |
|   | <b>34</b>   |                              |
| Customers of SORAS<br>Researcher (2014) | 20          | Life insurance               |
|   | 10          | Education insurance          |
|   | 25          | Lending insurance            |
|   | 52          | Other insurance              |
| Total employees sample size             | <b>107</b>  |                              |
| Total customers sample size             | <b>107</b>  |                              |
| Sample size                             | <b>141</b>  |                              |

### Data Collection Methods

The sources of data to be collected were primary and secondary data. Primary data were collected at the first hand when the researcher went to the field to collect raw data from SORAS insurance employees and customers. However secondary data were obtained from SORAS insurance company annual reports of the period under study.

### Data Collection Instruments

The researcher used various instruments that helped in acquiring the sufficient data required from both primary and secondary sources. The researcher in this case used questionnaires to collect data from SORAS insurance employees and customers. Questionnaires: A questionnaire is a set of well-designed questions intended to help the researcher acquire the required information from respondents. The researcher in this case formulated questions regarding the study variables and research objectives and then gives them to respondents to express their views on the study topic.

### Administration of Data Collection Instruments

The researcher designed the questionnaires according to the research objectives and questions. The distribution of the questionnaires was done by the researcher and their collection was done after they were completely filled. The researcher explained to the respondents the purpose of the research which was academic only and also requested them to completely answer the questionnaires. After one week, the questionnaires were returned and analyzed by the researcher.

### Reliability and Validity

The validity of this study was constructed by the use of sources of evidence during the data collection, the establishment of a chain of evidence which is based on the principle of allowing the external observer to follow the source of any evidence from initial research questions to the conclusions of the case study. Therefore, during

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the data collection, the researcher used multiple strategies for source of evidence since the researcher used questionnaires as well as the above mentioned documents. In order to create a strong chain of evidence the researcher made the citations throughout the whole study with the aim of showing all sources from where the data were collected. In turn this made the external readers to find this study reliable. Reliability demonstrates that the operations of the study such as the data collection procedures can be repeated and reach to equal result. The researcher tried as much as possible to ensure that the findings of the research are properly analyzed and interpreted for accurate conclusions. The researcher did pilot research, whereby, she used 5 employees from SORAS and found that Croanbanch Alpha was 8.21.

**Data Analysis Procedure**

The researcher used SPSS as the statistical tool. This involved presenting findings in a logical and sequential way so that conclusions could be drawn from them. The data were presented according to the research questions and research objectives. Tables were used to present data. Data from completed questionnaires were edited, categorized and entered into SPSS sheets and summarized using the percentage of respondents for analysis. The data processed were analyzed according to the research objectives one by one with the consideration of the variable indicators shown in the conceptual framework. The first and second research objectives were analyzed using descriptive statistics, whereas the third was analyzed using inferential statistics.

**Ethical Considerations**

The following ethical issues, though not exhaustive, has been identified by various authors as important to be considered during any research: Informed consent, avoidance of harm, violation of privacy, anonymity and confidentiality, deceiving respondents or concealing of information, respect for human dignity that include right for full disclosure, debriefing respondents and presentation and interpretation of data [16]. With regard to this study, the aims and objectives were conveyed to all the relevant authorities during the process of acquiring permission to do research, and to the employees and managers involved during the data collection stage. Respondent’s participation was voluntary and they had the right to withdraw from the study at any time if they so wish. Anonymity and confidentiality were promised and ensured, by providing a self-addressed return envelope with each questionnaire and by requesting respondents not to write their names on the questionnaire. In addition, a covering letter which explained the aim and objectives of the study was accompanied each questionnaire.

**RESULTS AND DISCUSSION**

**Demographic Characteristics of Respondents**

The researcher presents the profile of the respondents in relation to education level and work experience. This is done in order to form a basis of making conclusions of the views that respondents gave on the corporate strategy and corporate image of insurance companies.

**Table 3: Distribution of respondent by experience**

|               | Frequency | Percent |
|---------------|-----------|---------|
| 3-4 years     | 70        | 49.6    |
| 5-6 years     | 59        | 41.8    |
| Above 6 years | 12        | 8.5     |
| Total         | 141       | 100.0   |

Source: Primary data

The table 3 shows that out of 141 respondents, 49.6% were experienced between 3 – 4 years, 41.8% were experienced between 5–6 years and 8.5% were experienced above 6 years in SORAS. Hence, as experience and information are an asset to any organization, it is important to note that expert employees have accurate information and analytics solution from these experts optimize every touch point across SORAS to improve research satisfaction. Therefore, this research focused on the employees with enough experience in the field of corporate strategy and corporate image. Whereby, the researcher got accurate information regarding research questions and objectives.

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**Table 4: Distribution of respondents by education**

|                   | Frequency | Percent |
|-------------------|-----------|---------|
| Phd               | 2         | 1.4     |
| Masters           | 5         | 3.5     |
| Bachelor's degree | 134       | 95.0    |
| Total             | 141       | 100.0   |

Source: Primary data

The table 4 indicates that out of 141 respondents, 1.4% respondents were PhD holders', 3.5% were Masters' holder and 95.0% were Bachelor's degree holder. These mean that, the researcher focused on the people with enough skills in the field of corporate strategy and corporate image. The level of education indicates that the respondents were able to deal with the questions and information concerning research objectives, whereby they gave accurate information regarding research questions and objectives.

#### **The Benefits of Corporate Strategy Systems in SORAS**

This subsection presented, analyzed and interpreted the benefits of corporate strategy systems in insurance companies of Rwanda. The researcher focused on improvement of customer management system, commitment of management to the operation of the system, implementation of corporate strategy System, feedback to the officers about the operation of the system operation management System of insurance companies, Appropriate measures are taken to correct errors, degree of integrity in execution, corporate strategy system facilitate separation of roles, corporate strategy system contribute in attaining on effective management of SORAS, promotion of Corporate image, Corrective action is taken to address weakness.

**Table 5: Improvement customer management system**

|                | Frequency | Percent |
|----------------|-----------|---------|
| Strongly agree | 21        | 14.9    |
| Agree          | 120       | 85.1    |
| Total          | 141       | 100.0   |

Source: Primary data

The table 5 indicates that out of 141 respondents, 14.9% strongly agreed that the corporate strategy affect the improvement of accounting and financial management system in SORAS and 85.1% agreed with the statement. Therefore, all respondents confirmed that corporate strategy is used in improvement of accounting and financial management system, so that the level of accurate information should be improved in insurance companies

**Table 6: Views of respondents on commitment of management to the operation of the system**

|                   | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly agree    | 12        | 8.5     |
| Agree             | 115       | 81.6    |
| Disagree          | 10        | 7.1     |
| Strongly disagree | 4         | 2.8     |
| Total             | 141       | 100.0   |

Source: Primary data

The table 6 indicates that out of 141 respondents, 8.5% strongly agreed that commitment of management to the operation of the system is among of the benefits SORAS get from corporate strategy system and 81.6% agreed with the statement, 7.1% disagreed with the statement and 2.8% of respondents strongly disagreed with the statement. The majority of respondents agreed that commitment of management to the operation of the system is among of the benefits SORAS get from corporate strategy system. This implies that corporate strategy system is a useful tool in management commitment and organizational operations.

**Table 7: Views of respondents on implementation activities**

|                | Frequency | Percent |
|----------------|-----------|---------|
| Strongly agree | 31        | 22.0    |
| Agree          | 110       | 78.0    |
| Total          | 141       | 100.0   |

Source: Primary data

The table 7 indicates that out of 141 respondents, 22% strongly agreed that implementation activities are among of the benefits SORAS get from corporate strategy system, and 78.0% agreed with the statement. Therefore, all respondents confirmed that implementation activities are among of the benefits SORAS get from corporate strategy system.



**Table 8: Views of respondent on feedback to the SORAS staffs**

|                   | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly agree    | 15        | 10.6    |
| Agree             | 112       | 79.4    |
| Disagree          | 10        | 7.1     |
| Strongly disagree | 4         | 2.8     |
| Total             | 141       | 100.0   |

Source: Primary data

The table 8 indicates that out of 141 respondents, 10.6% strongly agreed that feedback to the officers about the operation of the system operation management System of insurance companies is among of the benefits SORAS get from corporate strategy system, 79.4% agreed with the statement, 7.1% disagreed with the statement and 2.8% of respondents strongly disagreed with the statement. Therefore, all respondents confirmed that feedback to the staffs about the operation management System of insurance companies is among of the benefits SORAS get from corporate strategy system.

**Table 9: Views of respondents on appropriate measures taken to correct errors**

|                | Frequency | Percent |
|----------------|-----------|---------|
| Strongly agree | 12        | 8.5     |
| Agree          | 129       | 91.5    |
| Total          | 141       | 100.0   |

Source: Primary data

The table 9 indicates that out of 141 respondents, 8.5% strongly agreed that appropriate measures taken to correct errors are among of the benefits SORAS get from corporate strategy system and 91.5% agreed with the statement. All respondents, confirmed that appropriate measures taken to correct errors in SORAS are among of the benefits were gotten from corporate strategy, hence there is a need to focus on corporate strategy in order to achieve the high level of corporate image in organization.

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**Table 10: Views of respondents on degree of integrity in execution**

|                   | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly agree    | 20        | 14.2    |
| Agree             | 107       | 75.9    |
| Disagree          | 10        | 7.1     |
| Strongly disagree | 4         | 2.8     |
| Total             | 141       | 100.0   |

Source: Primary data

The table 10 indicates that out of 141 respondents, 14.2% strongly agreed that management acts with a great degree of integrity in execution of their role is among of the benefits SORAS get from corporate strategy system, 75.9% agreed with the statement, 7.1% disagreed with the statement and 2.8% of respondents strongly disagreed with the statement. The majority of respondents confirmed that management acts with a great degree of integrity in execution of their role is among of the benefits SORAS get from corporate strategy system. Hence, degree of integrity is needed in organization to improve the level of understanding in corporate image.

**Table 11: Views of respondents on separation of roles**

|                | Frequency | Percent |
|----------------|-----------|---------|
| Strongly agree | 31        | 22.0    |
| Agree          | 110       | 78.0    |
| Total          | 141       | 100.0   |

Source: Primary data

The table 11 indicates that out of 141 respondents, 22 % strongly agreed that corporate strategy system facilitates separation of roles and 78.0% agreed with the statement. All respondents confirmed that, corporate strategy system facilitate separation of roles in SORAS. Therefore, separation of roles is the concept of having more than one person required to complete a task. In a business, the separation by sharing of more than one individual in one single task is a corporate strategy intended to prevent fraud and error.

**Table 12: Views of respondents on attaining an effective management of SORAS**

|                   | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly agree    | 20        | 14.2    |
| Agree             | 107       | 75.9    |
| Disagree          | 10        | 7.1     |
| Strongly disagree | 4         | 2.8     |
| <i>Total</i>      | 141       | 100.0   |

Source: Primary data

The table 12 indicates that out of 141 respondents, 14.2% strongly agreed that corporate strategy contribute on the attaining of an effective management of SORAS ,75.9 % agreed with the statement,7.1% disagreed with the statement and 2.8% of respondents strongly disagreed with the statement. Hence, the majority of respondents confirmed that corporate strategy contributes on the attaining of an effective management of SORAS. This implies that corporate strategy system influences good management through effective management of organization using corporate strategy system.

**Table 13: Views of respondents on appropriate supervision by senior staff**

|                | Frequency | Percent |
|----------------|-----------|---------|
| Strongly agree | 15        | 10.6    |
| Disagree       | 126       | 89.4    |
| Total          | 141       | 100.0   |

Source: Primary data

The table 13 indicates that out of 141 respondents, 10.6% strongly agreed that appropriate supervision by senior staff is among of the benefits SORAS get from corporate strategy system whereas 89.4% disagreed that appropriate supervision by senior staff as among of the benefits SORAS. Therefore, the majority of respondents confirmed that appropriate supervision by senior staff is not among of the benefits that SORAS got from corporate strategy. Hence, SORAS should focus on corporate strategy as one of the instruments should be used to manage employees so that it should improve corporate image.

**Table 14: Views of respondents on corrective action taken to address weakness**

|                   | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly agree    | 18        | 12.8    |
| Agree             | 109       | 77.3    |
| Disagree          | 10        | 7.1     |
| Strongly disagree | 4         | 2.8     |
| Total             | 141       | 100.0   |

Source: Primary data

The table 14 indicates that out of 141 respondents, 12.8% strongly agreed that corrective action taken to address weakness is among of the benefits SORAS get from corporate strategy system, 77.3% agreed with the statement, 7.1% disagreed with the statement and 2.8% of respondents strongly disagreed with the statement. The majority of respondents confirmed that corrective action taken to address weakness is among of the benefits SORAS get from corporate strategy system. Hence, Effective corporate strategy provides assurance that significant weaknesses in the design or operation of corporate strategy, that could adversely affect the agency's ability to meet its objectives, would be prevented or detected in a timely manner. Corporate strategy should be an integral part of the entire cycle of planning, budgeting, management, accounting, and auditing. It should support the effectiveness and the integrity of every step of the process and provide continual feedback to management.

### The Role of Building Corporate Image in Rwandan Insurance Companies

This subsection focuses on the role of corporate image indicators in insurance companies of Rwanda, such as the improvement of accountability, following the rules of law, efficiency and effective management, transparent, control consciousness of employees, ensuring management directives are successfully implemented, regular management report to assist in monitoring of activities, meet obligations effectively, adequate receipts of expenditure and the implementation of audit report.

**Table 15: Views of respondents on improvement of accountability**

|                | Frequency | Percent |
|----------------|-----------|---------|
| Strongly agree | 31        | 22.0    |
| Agree          | 110       | 78.0    |
| Total          | 141       | 100.0   |

Source: Primary data

The table 15 indicates that out of 141 respondents, 22% of respondents strongly agreed that improvement of accountability is among of roles played by corporate image in insurance companies and 78% agreed with the statement. Therefore, all respondents confirmed that thatimprovement of accountability is among of roles played by corporate image in insurance companies. Therefore, accountability is one of the cornerstones of corporate image; however, it can be difficult for practitioners alike to navigate the myriad of different types of accountabilities. Accountability ensures actions and decisions taken by public officials are subject to oversight so as to guarantee that SORAS initiatives meet their stated objectives and respond to the needs of the community they are meant to be benefiting, therebycontributing to better governance.

**Table 16: Views of respondents on following the rules of law**

|                   | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly agree    | 5         | 3.5     |
| Agree             | 122       | 86.5    |
| Disagree          | 10        | 7.1     |
| Strongly disagree | 4         | 2.8     |
| Total             | 141       | 100.0   |

Source: Primary data

The table 16 indicates that out of 141 respondents, 3.5% of respondents strongly agreed that following the rules of law is among of roles played by corporate image in insurance companies, 86.5% agreed with the statement, 7.1% disagreed with the statement and 2.8% respondents strongly disagreed with the statement. Therefore, well-functioning legal institutions and governments bound by the rule of law in SORAS were; in turn; vital to corporate image. Laws are not enforced, practitioners in the development field have increasingly turned their attention to reforms to improve legal and judicial institutions and promote the rule of law and corporate image.

**Table 17: Views of respondents on efficiency and effective of management board**

|                   | Frequency | Percent |
|-------------------|-----------|---------|
| Valid             |           |         |
| Strongly agree    | 26        | 18.4    |
| Agree             | 41        | 29.1    |
| Disagree          | 70        | 49.6    |
| Strongly disagree | 4         | 2.8     |
| Total             | 141       | 100.0   |

Source: Primary data

The table 17 indicates that out of 141 respondents, 18.4% of respondents strongly agreed that efficiency and effective of management board is among of roles played by corporate image in insurance companies, 29.1% agreed with the statement, 49.6% disagreed with the statement and 2.8% strongly disagreed with the statement. Companies often talk about employee effectiveness and efficiency when brainstorming ways to improve business. While they sound similar, effectiveness means something entirely different than efficiency. An effective employee produces at a high level, while an efficient employee produces quickly and intelligently. By combining effectiveness and efficiency, a company produces better products faster and with fewer resources.

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**Table 18: Views of respondents on transparent**

|                   | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly agree    | 40        | 28.4    |
| Agree             | 87        | 61.7    |
| Disagree          | 10        | 7.1     |
| Strongly disagree | 4         | 2.8     |
| Total             | 141       | 100.0   |

Source: Primary data

The table 18 indicates that out of 141 respondents, 28.4% of respondents strongly agreed that transparent is among of roles played by corporate image in insurance companies, 61.7% agreed with the statement, 7.1% disagreed with the statement and 2.8% strongly disagreed with the statement. Therefore, transparency in SORAS influences its image in the competitive insurance industry in Rwanda.

**Table 19: Views of respondents on control of consciousness of employees**

|                | Frequency | Percent |
|----------------|-----------|---------|
| Strongly agree | 22        | 15.6    |
| Agree          | 119       | 84.4    |
| Total          | 141       | 100.0   |

The table 19 indicates that out of 141 respondents, 15.6% of respondents strongly agreed control of consciousness of employees is among of roles played by corporate image in insurance companies and 84.4% agreed with the statement.

**Table 20: Views of respondents on management directives**

|                   | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly agree    | 13        | 9.2     |
| Agree             | 54        | 38.3    |
| Disagree          | 70        | 49.6    |
| Strongly disagree | 4         | 2.8     |
| Total             | 141       | 100.0   |

Source: Primary data

The table 20 indicates that out of 141 respondents, 9.2% of respondents strongly agreed that corporate image assists in ensuring that SORAS management directives are successfully implemented, 38.3% agreed with the statement, 49.6% disagreed with the statement and 2.8% strongly disagreed with the statement.

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**Table 21: Views of respondents on adequate receipts of expenditure**

|                | Frequency | Percent |
|----------------|-----------|---------|
| Strongly agree | 31        | 22.0    |
| Agree          | 110       | 78.0    |
| Total          | 141       | 100.0   |

Source: Primary data

The table 21 indicates that out of 141 respondents, 22% of respondents strongly agreed thatadequate receipts of expenditure is among of roles played by corporate image in insurance companies and 78% agreed with the statement.

**Table 22: Views of respondents on the influence of corporate image on implementation of audit report**

|                   | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly agree    | 20        | 14.2    |
| Agree             | 107       | 75.9    |
| Disagree          | 10        | 7.1     |
| Strongly disagree | 4         | 2.8     |
| Total             | 141       | 100.0   |

Source: Primary data

The table 22 indicates that out of 141 respondents, 14.2% of respondents strongly agreed that corporate image influence implementation of audit report, 75.9% agreed with the statement,7.1% disagreed with the statement and 2.8% strongly disagreed with the statement. The audit report follow up is among of the determinants that influence corporate image in insurance sector.

### **Relationship Between Corporate Strategy and Corporate Image of SORAS**

Using Pearson correlation coefficient, the table 23 indicates that internal affects corporate image on the rate of 94.4% in SORAS.

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**Table 23: Relationship between corporate strategy and building corporate image in SORAS**

*Correlations*

|                           |                            | Corporate strategy | Corporate image |
|---------------------------|----------------------------|--------------------|-----------------|
| <i>Corporate strategy</i> | <i>Pearson Correlation</i> |                    |                 |
|                           |                            | 1                  | .944**          |
|                           | <i>Sig. (2-tailed)</i>     |                    | .000            |
|                           | <i>N</i>                   | 141                | 141             |
| <i>Corporate image</i>    | <i>Pearson Correlation</i> | .944**             | 1               |
|                           | <i>Sig. (2-tailed)</i>     | .000               |                 |
|                           | <i>N</i>                   | 141                | 141             |

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: Primary data

**Legend:**

- [-1.00 - 0.00]: Negative correlation;
- [0.00 - 0.25]: Positive and very low correlation;
- [0.25 - 0.50]: Positive and low correlation;
- [0.50 - 0.75]: Positive and high correlation and
- [0.75 - 1.00]: Positive and very high correlation

The table 23 shows the correlation between corporate strategy and corporate image in SORAS using primary data. The researcher used Pearson correlation coefficient and found that the coefficient r equals to 94.4%. [2, 7, 8] found that a positive reputation can result in a number of beneficial consequences that ultimately facilitate better corporate performance. A case study of the beverage industry in Malta is used to describe a typical process for the development of an instrument to measure corporate reputation with the general public. Since corporate strategy is an organization sense of purpose and purpose changes as the organization grows larger and develops. Corporate strategy involves the entire organization as it covers all areas and functions of the business. Corporate strategy is central to the development of distinctiveness. From the findings of this study, it is discussed that this study agreed with [2, 7, 8] where corporate strategy contribute to the image of the company [17].

**Benefits of Corporate Strategies in Insurance Companies of Rwanda**

According to the first research objective, the benefits of corporate strategies in insurance companies of Rwanda, this research found that 14.9% strongly agreed that the corporate strategy affect the improvement of accounting and financial management system in SORAS and 85.1% agreed with the statement, 8.5% strongly agreed that commitment of management to the operation of the system is among of the benefits SORAS get from corporate strategies and 81.6% agreed with the statement, 22 % strongly agreed that implementation activities is among of the benefits SORAS get from corporate strategy, and 78.0% agreed with the statement, 10.6% strongly agreed that feedback to the officers about the operation of the system operation management System of insurance companies is among of the benefits SORAS get from corporate strategy, 79.4% agreed with the statement, 8.5% strongly agreed that appropriate measures taken to correct errors are among of the benefits SORAS get from corporate strategies and 91.5% agreed with the statement, 14.2% strongly agreed that management acts with a great degree of integrity in execution of their role is among of the benefits SORAS get from corporate strategy, 75.9% agreed with the statement, 22 % strongly agreed that corporate strategies facilitate separation of roles and 78.0% agreed with the

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statement, 14.2% strongly agreed that corporate strategy contribute on the attaining of an effective management of SORAS, 75.9 % agreed with the statement, 10.6% strongly agreed that appropriate supervision by senior staff is among of the benefits SORAS get from corporate strategies whereas 89.4% disagreed that appropriate supervision by senior staff as among of the benefits SORAS, 12.8% strongly agreed that corrective action taken to address weakness is among of the benefits SORAS get from corporate strategy, 77.3% agreed that corrective action taken to address weakness is among of the benefits SORAS get from corporate strategy.

#### **The Role of Corporate Image Indicators in Insurance Companies of Rwanda**

According to the second research objective, the role of corporate image indicators in insurance companies of Rwanda, this research found that 22% of respondents strongly agreed that improvement of accountability is among of roles played by corporate image in insurance companies and 78% agreed with the statement, 3.5% of respondents strongly agreed that following the rules of law is among of roles played by corporate image in insurance companies, 86.5% agreed with the statement, 18.4% of respondents strongly agreed that efficiency and effective of management board is among of roles played by corporate image in insurance companies, 28.4% of respondents strongly agreed that transparent is among of roles played by corporate image in insurance companies, 61.7% agreed with the statement, 15.6% of respondents strongly agreed control of consciousness of employees is among of roles played by corporate image in insurance companies, 9.2% of respondents strongly agreed that corporate image assists in ensuring that SORAS management directives are successfully implemented, 38.3% agreed with the statement, 22% of respondents strongly agreed that adequate receipts of expenditure is among of roles played by corporate image in insurance companies and 78% agreed with the statement, 14.2% of respondents strongly agreed that corporate image influence implementation of audit report, 75.9% agreed that corporate image influence implementation of audit report

#### **Relationship between Corporate Strategies and Corporate Image of Insurance Companies**

The table 23 shows the relationship between corporate strategy and corporate image in SORAS using primary data. The researcher used Pearson correlation coefficient and found that the coefficient  $r$  equals to 0.944. The variation of Pearson Coefficient correlation is between -1 and 1. Pearson Coefficient correlation has significance when it is equal or greater than 0.01. According to the research, the correlation of 0.944 (79.4%) is located in the interval  $[-0.75 - 1.0]$  categorized as positive and very high correlation. As the significant level is at 0.01 (1%), the  $p$ -value of 0.000 (i.e. 0.0%) is less than 1.0%. This leads to confirm that there is significant relationship between corporate strategy and corporate image in SORAS. Hence, this coefficient implies that as corporate strategy done well the level of corporate image in SORAS improve.

#### **CONCLUSION**

According to the first research question, Benefits of corporate strategies in insurance companies of Rwanda this research concluded that corporate strategy is used in improvement of accounting and financial management system, so that the level of accurate information should be improved in insurance companies; the majority of respondents agreed that commitment of management to the operation of the system is among of the benefits SORAS get from corporate strategy. This implies that corporate strategies are a useful tool in management commitment and organizational operations; therefore, all respondents confirmed that implementation activities are among of the benefits SORAS get from corporate strategy; all respondents confirmed that feedback to the officers about the operation of the system operation management System of insurance companies is among of the benefits SORAS get from corporate strategy; all respondents, confirmed that appropriate measures taken to correct errors in SORAS are among of the benefits were gotten from corporate strategy, hence there is a need to focus on corporate strategy in order to achieve the high level of corporate image in organization; the majority of respondents confirmed that management acts with a great degree of integrity in execution of their role is among of the benefits SORAS get from corporate strategy. Hence, degree of integrity is needed in organization to improve the level of understanding in corporate image; this research also concluded that corporate strategies facilitate separation of roles in SORAS. Therefore, separation of roles is the concept of having more than one person required to complete a task. In business the separation by sharing of more than one individual in one single task is a corporate strategy intended to prevent fraud and error; the majority of respondents confirmed that corporate strategy contribute on the attaining of an effective management of SORAS.

This implies that corporate strategies influence good management through effective management of organization using corporate strategy; the majority of respondents confirmed that appropriate supervision by senior staff is not among of the benefits that SORAS got from corporate strategy. Hence, SORAS should focus on corporate strategy as one of the instruments should be used to manage employees so that it should improve corporate image; The majority of respondents confirmed that corrective action taken to address weakness is among of the benefits SORAS get from corporate strategy. Hence, Effective corporate strategy provides assurance that significant weaknesses in

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the design or operation of corporate strategy, that could adversely affect the agency's ability to meet its objectives, would be prevented or detected in a timely manner. Corporate strategy should be an integral part of the entire cycle of planning, budgeting, management, accounting, and auditing. It should support the effectiveness and the integrity of every step of the process and provide continual feedback to management. According to the second research question, this research concluded that improvement of accountability is among of roles played by corporate image in insurance companies. Therefore, accountability is one of the cornerstones of corporate image; however, it can be difficult for practitioners alike to navigate the myriad of different types of accountabilities. Accountability ensures actions and decisions taken by public officials are subject to oversight so as to guarantee that SORAS initiatives meet their stated objectives and respond to the needs of the community they are meant to be benefiting, thereby contributing to better governance. Well-functioning legal institutions and governments bound by the rule of law in SORAS were, in turn, vital to corporate image. Laws are not enforced, practitioners in the development field have increasingly turned their attention to reforms to improve legal and judicial institutions and promote the rule of law and corporate image. According to the third research question, this research concluded that corporate strategy affects positively SORAS governance. Therefore, through present research the researcher analyzed the statements regarding the corporate strategy in corporate governance. The researcher analyzed effectiveness of corporate strategy in SORAS. Corporate strategies represent all the approved policies and procedures used by the SORAS management in order to achieve an effective management and governance of the institution. Lack of corporate strategies and their deficient operation make companies vulnerable to a number of risks, such as improper recording of accounting transactions, making unauthorized transactions, fraud, all these having a significant impact on governance. In corporate governance, boards are being charged with the responsibility for the effectiveness of their organizations' corporate strategies. Without an effective corporate strategies companies can confront with losses.

### RECOMMENDATIONS

The study findings yielded the following recommendations in view of the contribution of corporate strategy to corporate image in insurance companies. To enable meaningful participation, management of SORAS should focus on corporate strategy with carefully selected representatives for the skilled employees. Successful corporate strategy in Rwandan insurance companies requires a strong skilled local leadership through a process of leadership development, community mobilization, capacity building, education, and conscious.

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