		Lending policy	organization performance
lending policy	Pearson Correlation	1	.025
	Sig. (2-tailed)		.824
	N	53	53
organization performance	Pearson Correlation	.025	1
	Sig. (2-tailed)	.824	
	N	53	53

Correlation analysis of lending policy and organization performance of private companies was done. Table 10 indicates that lending policy is significantly correlated to organization performance of private companies (r=.025, p<0.01).There was strong correlation between lending policy and organization performance of private companies.

Organization performance of private companies

Table 11: Return on assets for the years from 2016 to 2020

	Year 2017	Year 2018	Year 2019	Year 2020
Net profit	21500,000	21800,000	23,300,000	27,400,000,000
Average assets	165,000,000	168,600,000	214,000	248,850,00
ROA	$\frac{21,500,000}{165,000,000}\mathrm{X}100 =$ 12%	$\frac{21800,000}{168,600,000,000}X100 =$ 12%	$\frac{23,300,000}{214,000,000,000}\mathrm{X}100 =$ 10%	$\frac{27,400,000}{248,850,000}\mathrm{X}100 =$ 11%

Source: Primary data, 2021

Referring to the table 4.8, it is noted that in High Sec (private companies), every RWF1 in assets generated 12%, 12%, 12%, 10% and 11% in profits in the years from 2017 to 2020, it is noted that from the year 2014 to 2018 ROA gradually decreased. Therefore, as ROA shows how the market share, customer loyalty, new customer attraction, customer satisfaction, profitability is being maintained by an institution, it is noted that all of these indicators were not positively maintained by High Sec. Hence, this is the symbol that there is a need to improve on credit management strategies on private companies. Under this section, the relationship between credit management and organization performance is explained.

Regression Analysis

The following table 4.9 is about the model summary of the indicators of independent variables (lending policy, credit appraisal, credit risk monitoring) and dependent variable (organization performance)

Table 11: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.723[a]	.523	.509	.46752

a. Predictors: (Constant), lending policy , Credit appraisal, credit risk monitoring

Source: Primary data, 2021

The Table 11 indicates the value of adjusted R Square is .509 and there is variation of .523 on organization performance due to the modification in independent variable (lending policy, credit appraisal, credit risk monitoring).

Table 12: Analysis of variance (ANOVA)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	8.97	4	0.224	2.07	.002[a]
	Residual	5..185	49	.108		

Total	14.155	53	

a. Predictors: (Constant), lending policy , credit appraisal, credit risk monitoring

b. Dependent Variable: Organization performance

Source: Primary data, 2021

Designed worth of significance was 14.155 though a mean square at regression level was 2.07 Since the determined value is greater than the critical value. The overhead deliberation display that the overall method was important and that the pointers of autonomous variable and all have impacted positively on organization performance.

Table 13: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	.344	.186		1.851	.067
	credit appraisal	.454	.147	.883	3.088	.003
	credit risk monitoring	-.091	.239	-.147	-.381	.074
	Lending policy	-.014	.305	-.025	-.046	.063

a. Dependent Variable: Organization performance

Source: Primary data, 2021

The findings in Table 13 indicate that holding independent variables (lending policy, credit appraisal, credit risk monitoring) affect the organization performance to a constant zero, organization performance would be at 0.454 for credit appraisal while the most significant p value was .003. Therefore, an increase in credit appraisal, credit risk monitoring, and lending policy stimulate adequate organization performance by a factor of .883 standardized significances.

From the findings of Table 13, it is clear that credit appraisal has a great influence on organization performance of private companies in Rwanda; these results concur with that of Ngare (2018) who found that credit appraisal analysis strategy is very important for High Sec in Rwanda to develop their organization performance. It is noted that at any bank, use of prudential credit management has a great positive relationship with its organization performance as it is being indicated by the views of respondents whereby being asked if Credit appraisal technique helps in loan repayment and leads to organization performance in High Sec in Rwanda, many respondents were in agreement with this statement as it is indicated by a high mean and homogeneity in responses.

In addition, respondents were agreeable to the statement stating that it is impossible to have a sound organization performance in a High Sec in without a well loan management by a high mean and homogeneity standard deviation; from the findings also it is clear that loan review and approval techniques helps managers avoid mismanagement errors hence the organization performance of any microfinance increases; also results indicate that loan management output contributes to improved organization performance of High Sec in Rwanda as from information revealed by High Sec in Rwanda staffs indicated that their financial improvement was caused by taking proactive techniques of loan management. This indicate that loan management and organization performance is positively correlated.

These finds indicate that credit management have a great impact on organization performance of any microfinance; it means that when there is good credit management in microfinance, the profitability is also good but if credit management is poor, the profitability is low. The profitability in this case depend on credit managements. These findings concur with that of (Brown bridge, 1998); he saw that the crisis cost in terms of output loss was high. He continued saying that most of the failures in organization is linked to poor prudential loans management in many countries.

ix. Discussion of Findings

The study was guided by the following objectives

To determine contribution of credit appraisal on organization performance of private companies in Rwanda

The majority of respondents strongly agreed that forming collection policies has been a challenge in credit management, as evidenced by a mean of 1.45. HighSec's Rwanda study also found that enforcing guarantee policies provided chances for loan recovery in the event of loan defaults. Staff incentives are effective in improving delinquent loan recovery, and a strict policy is moot, according to the survey.

A mean of 1.77 indicates that regular evaluations of collection policies have been done to improve credit management, and available collection policies have aided in effective credit management, as indicated by a mean of 1.89. Referring to the table 4.11, it is noted that in High Sec (private companies), every RWF1 in assets generated 12%, 12%, 12%, 10% and 11% in profits in the years from 2017 to 2020, it is noted that from the year 2014 to 2018 ROA gradually decreased. Therefore, as ROA shows how the market share, customer loyalty, new customer attraction, customer satisfaction, profitability is being maintained by an institution, it is noted that all of these indicators were not positively maintained by High Sec. Hence, this is the symbol that there is a need to improve on credit management strategies on private companies. Under this section, the relationship between credit management and organization performance is explained.

To establish contribution of credit risk control on organization performance of private companies in Rwanda

The goal of the study was to see how many people agreed or disagreed with the preceding statement about credit risk management in Rwanda's High Sec. The majority of respondents strongly agreed that interest rates charged have an impact on loan performance in Rwanda's High Sec, as evidenced by a mean of 1.28, and that credit committee involvement in loan decisions is critical in reducing default/credit risk, as evidenced by a mean of 1.40, according to the study's findings.As evidenced by a mean of 1.64 in each case, regular credit checks improve credit management, and late payment penalties strengthen customers' commitment to loan repayment. Using customer credit application forms improves monitoring and credit management, as evidenced by a mean of 1.66. Flexible payback terms boost loan repayment by a factor of 1.77, and conducting regular credit checks improves credit management by a factor of 1.79. As indicated by a high mean of 3.50 and heterogeneity in responses, as evidenced by a standard deviation of 1.28, which is larger than one (SD>1), a considerable number of participants felt that establishing loan size limits is a realistic method in credit management.

These findings indicated that loan officers and recovery officers usually practice imposing loan size to clients as a strategy of managing the credit offered to clients and this impact positively; also many of respondents were in agreement about the items of checking credit regularly improves loan management on high Mean of 3.98 and heterogeneity in responses as the standard deviation is 1.13 which is greater than one (SD>1).This also suggests that loan and recovery officers at High Sec in Rwanda conduct credit checks on a regular basis, which has a positive impact on their organization's performance. Furthermore, many respondents agreed on the item springy refund days' recover loan refund on Mean of 4.10 and response homogeneity as the standard deviation of 0.80 is less than one (SD<1).

This implies that loan and recovery officers in High Sec in Rwanda in Rwanda clients flexible repayments periods of the loan taken and this also lead to organization performance of High Sec in Rwanda as clients repay the given loan on time and without any complication. In examining whether a penalty for late payment increases customers' commitment to loan repayment in sampled High Sec in Rwanda branches, findings in Table 4.6 revealed a mean of 3.97, which is a high mean, indicating that many agree with the item and heterogeneity in responses as shown by a standard deviation of 1.02, which is greater than one (SD>1).

When the researcher asked if forms of loan demand help in loan monitoring, statistics in Table 4.6 indicated a high mean of 4.00 and standard deviation of 1.12. These findings revealed that if these customer credit application forms are used well, the organization performance of private companies in Rwanda increases accordingly. Table 4.6 also shows that in examining whether credit committees' involvement in loan decision making is essential in reducing default/credit risk, many respondents agreed on the statement, as evidenced by a high mean of 4.30 and homogeneity in responses, as evidenced by a standard deviation of 0.81 less than one (SD<1).Finally, the researcher wanted to know if Interest rates charged affect performance of loans High Sec in Rwanda. Many respondents agree with this statement, as indicated by the high mean of 3.90 and heterogeneity in replies, as evidenced by a standard deviation of 1.16, which is larger than one (SD>1).

To find out contribution of lending policy on organization performance of private companies in Rwanda

The goal of the study was to see how many people agreed or disagreed with the preceding claims about credit appraisal in the High Sec. According to the statistics, the majority of respondents believed that credit evaluation is a realistic approach for credit management, with a mean of 1.70, and that collateral characteristics are taken into account when assessing clients, with a mean of 1.72. Loan defaults are caused by a failure to assess the customer's ability to repay, as evidenced by a mean of 1.74. As indicated by a mean of 1.75, credit appraisal considers the character of consumers requesting credit, and the High Sec has competent workers for conducting credit appraisal, as evidenced by a mean of 1.77. On a mean of 3.80, which is expressed as a high mean, many respondents agreed that credit evaluation is a realistic method for credit management, according to Table 4.5, and there is heterogeneity in replies since the standard deviation is 1.46, which is larger than one (SD>1). Many respondents agreed that the customer evaluation accurately reflects their behavior while seeking loan services, as indicated by the high Mean of 3.60 and the wide range of responses, as evidenced by the standard deviation of 1.30, which is greater than one (SD>1).

x. Conclusion

According to the study's findings, credit appraisal, credit risk control, and lending policy all had an impact on the organizational performance of private companies in Rwanda. According to the study's findings, there is a substantial link between private company organizational performance in Rwanda and credit appraisal, credit risk management, and lending policy. According to the findings, a unit rise in credit appraisal leads to an increase in credit management on the organization performance of private companies in Rwanda; this implies that credit appraisal and private company performance in Rwanda have a favorable association. An increase in credit risk management would lead to a rise in private company organization performance in Rwanda, demonstrating a positive association between credit risk control and private company organization performance in Rwanda. Credit assessment, credit risk management, and lending rules all have a substantial impact on the performance of private enterprises in Rwanda.

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