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INFLUENCE OF BANCASSURANCE ON FINANCIAL PERFORMANCE OF COMMERCIAL BANKS IN KENYA

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Abstract

The success of banc assurance has been limited to insurance products mostly, primarily because of the matching of banking products with the personal financial needs of customers. Bancassurance works through a process system that highlights consumer lifestyle changes. Traditionally, insurance products have been sold through a process called event-based selling. This process serves to identify individuals who require insurance coverage due to the happening of certain events which tend to increase future liabilities. Many of these events can be easily matched with banking transactions. Thus the significant number of bancassurance across branches of commercial banks has experienced challenges in probing the customer to understand customer need and proposing relevant viable options flawlessly in Collaboration between banks and insurance companies to improve the quality of banc assurance products and services. The study sought to determine the influence of banc assurance on financial performance in Commercial Banks in Kenya. The study adopted descriptive research design. Target population of the study constituted 108 respondents from 26 commercial banks in the country. The research used purposive sampling to determine the category of employees and departments which directly the factors influencing performance of banc assurance. The research used primary sources and secondary source. The collected data was processed and analyzed using Statistical Package for Social Sciences (SPSS) version 21. The study found out that bancassurance had a positive influence on capital adequacy, asset quality, liquidity and earnings performance of commercial banks in Kenya. The study thus recommends that: The commercial banks should further entrench bancassurance if they are to improve capital adequacy, asset quality, liquidity and earnings performance. The commercial banks should train its staff on the bancassurance management to help it improve financial banks of the banks. They should employ the use if ICT and cascade bancassurance to the branches for further effectiveness. The Ministry of Finance should create policy that would help manage bancassurance better.

***Keywords**: Bancassurance, Financial performance, Earnings performance, Capital Adequacy*

Background of the Study

The Insurance and Banking industry has changed rapidly in the changing and challenging economic environment throughout the world. Time has come to choose and adopt appropriate market penetration channels through which insurance companies can get the maximum benefit and serve customers in manifold ways. The intermediaries in the insurance business and the distribution channels used will perhaps be the strongest drivers of growth in the banking sector (Binet, 2012). Banc assurance is defined as the partnership between a Bank and an Insurance company whereby the insurance company sells its policies through the bank network. The need for survival as a result of Globalization, changes in regulation, and the changes in Customer demands have led to the emergence of Financial Conglomerates resulting in Banc assurance (Karunagaran 2006).

The concept of Banc assurance started to emerge in Europe and more so France. Later, the concept spread across to various continents and subcontinents including US, East and West Europe, Asia and India in around 1980's. The arrangement established insurance company and a financial institution which is the bank or microfinance bank with the aim of selling specific insurance products via the bank. (Bruton (2014). Thus banc assurance as a coalition between the bank and registered insurance firm in which the latter sells their products via bank, In US presents a good model for banc assurance being used by both the dominant and small insurance firms to ease the transactional process that would otherwise prove to be inefficient; this is because banc assurance outperforms the traditional model of handling insurance practices. The banc assurance spread to other continents around the globe due to its perceived benefits. Banc assurance has facilitated efficacy of services and transactions between the banks and insurance companies and has promoted the satisfaction of the clients, (Yuan,2011), However for a long time, the issue of Banc assurance has been very critical between the banks and the insurance companies. This partnership arrangement can be profitable for both companies in that the banks can earn additional revenue by selling the insurance products to the involved customers or clients at the agreed rate of transactions, the banks are also able to create close relations with the customers and by selling a whole range of financials, (Jongeneel, 2011).

In Africa, banc assurance services have rapidly been growing because it improves the distribution channels and the value of the insurance markets (Ladina, 2014). The importance of banc assurance has spread across Africa due to its efficiency in the management of insurance services because it improves the number of deposit accounts and guarantees future revenue generation as one of its core reasons and thus Banc assurance as a strategy is beneficial to commercial banks in global settings hence helping in increasing the efficiency of services between the bank and the insurance companies. In Kenya, banks are spread geographically and across various socio-economic groups that are vivid in the country, this provides a great potential for banc assurance to thrive especially where traditional insurance practice have not performed effectively. Banks have some form of a working relationship. Moreover, commercial banks do secure consumer credit thereby creating some complementary products for the available insurance services. The consolidated financial services industry merges the banking and insurance industries. This merger has therefore improved on the growth potential of the banc assurance models. The adoption has vastly spread across the rural areas, where the branch networks are limited to a greater extent. With increased integration of financial services and banks seeking to expand the range of services offered to clients, a perfect opportunity exists for the two sectors to enter into a banc assurance partnership. Commercial banks that has banc assurance are able to expand the customer base without having to expand their intermediary sales forces or pay out commissions to insurance agents and brokers, they are able to develop new financial products more efficiently with the help of their bank partners and they are able to obtain capital from banks to improve and grow business alliances by incorporating strategic ties (Capital, 2014).

Most business through banc assurance has been growing at an average rate of 36% over the last three years, with business worth Ksh 6 Billion realized in 2016 (8.12% of total life business gross written premiums). Group Life, in particular credit life insurance, contributed to 85% of the total life business through Banc assurance. The technical loss ratio was at an average of 32.4% in the four years investigated. Non- life business growth rate was quite significant in 2014 (55%) and 2015 (30%), However the increase in 2016 was marginal at 1%. Approximate Ksh10 Billion representing 8.23% of the total gross premiums written was distributed through banc assurance, with an average technical loss ratio of 58.3%.

Banc assurance has taken form in Kenya with several banks and insurance companies partnering to offer various products within the banking halls. Banc assurance is positive for both the insurance and banking sectors. The insurance companies benefit from a wide, established and trusted distribution network, while the banks have an avenue to earn revenue from commissions, (Mwangi, 2010). However, bank sells insurance products alongside other banking products in the commercial transactions banc assurance as the partnership or relationship between a bank and an insurance company, where the commercial bank can focus on both their existing client database as well as other potential clients.

Banc assurance made its debut in Kenya over 12 years ago with the awarding of the very first insurance agency license to CBA Bank in 2004. Thus Banc assurance in Kenya remains a relatively new concept that is still at the teething stage. The Central Bank of Kenya licensed the first commercial bank permitting it to trade banc assurance products and services. Since then, 26 banks and 47 insurance companies have adopted banc assurance agencies licensed and are currently offering banc assurance products and services. This enables them to serve target customers at a lower cost and work more effectively than the middlemen, (Mwiti, 2013). Further, if commercial banks and insurance companies is in direct contact with its customers it is more aware of changes in customer and their attitudes hence it is in a better position to adjust its marketing mix and product push quickly because there is no need to convince other channel members to help. Strategic alliances offer an opportunity for companies to collaborate in doing business thereby overcoming individual disadvantage

Statement of the problem

Financial institutions have for a while now been contending with dwindling interest margins because of heightened competition, globalization, fluctuations in technology and financial liberalization among others (Kumar, 2016). Interest income is important because it is the biggest income generated from banks characteristically being the difference between borrowing and lending rates given to customers. Further, via financial liberalization in Kenya that has brought mobile banking to the fore, many banks are finding it hard to cope with rising borrowing costs tied to low deposits. Not to mention the 2015 interest rate capping law that ushered in strenuous situations for banks. In fact, based on the interest rate capping, almost all banks in Kenya posted a drop in earnings and profitability in the 2016-2017 financial years with only Equity Bank posting positive returns but only because of their engagement with government securities. Bancassurance was meant to cure this problem in some way but the extent to which it has managed to affect financial performance of commercial banks, considering the interest rate capping, remains significantly uninvestigated; hence the need for the present study.

There is scanty empirical information about Bancassurance and financial performance of Commercial Banks of Kenya. The studies that have so far been done have not been adequate and extensive. Kiragu (2014) in his study to investigate the challenges facing insurance companies in embracing Bancassurance in a competitive advantage framework in Kenya noted certain salient issues. He noted regulatory changes was a major challenge to adoption of Bancassurance. The study did not however consider the link between Bancassurance and financial performance of commercial banks as it was based on the insurance sector only.

Mwangi (2010) did a study titled, "*The Determinants of the Growth of Bancassurance in Kenya*". He noted that strategic considerations, need to improve profits and the urge to expand the customer base were some of the most notable determinants. However, the study did not consider the connection of Bancassurance with financial performance and particularly with liquidity, capital adequacy, earnings performance and asset quality as the present study will do. Omondi (2013) investigated the antecedents of adoption of Bancassurance by Commercial banks of Kenya. The study noted that new revenue and diversification were major antecedents to Bancassurance adoption. However, again, the study did not consider the connection of Bancassurance with financial performance and particularly with liquidity, capital adequacy, earnings performance and asset quality as the present study will do. In addition, all other studies (Nyambura, 2014; Mwangi, 2014) were done before the performance shaping enacting of the interest rate capping law in 2015 and thus, the present study becomes very significant and necessary.

Objectives of the study

The general objective of the study was to investigate the influence of Bancassurance on the financial performance of commercial banks of Kenya

1. To establish the influence of Bancassurance on capital adequacy of commercial banks of Kenya
2. To determine the influence of Bancassurance on asset quality of commercial banks of Kenya
3. To assess the influence of Bancassurance on earnings performance of Commercial banks of Kenya
4. To establish the influence of Bancassurance on liquidity of Commercial banks of Kenya

Literature Review

The study was based on the following theories

The theory of Transaction cost -The Adverse Benston and Smith Junior (1976), stipulates that the impact of transactional technologies that were brought about by financial intermediation the Intermediaries are perceived to be a coalition of individual creditors and debtors who exploit the scale economy at the level of transactional technologies through their function of processing huge volumes of data at high efficiencies, clients perceive that they are experts at making the best financial decisions. Kiragu (2014) the increasingly competitive environment in the financial services market has resulted in the pressure to develop and utilize alternative delivery channels. With this, Insurance companies and commercial banks are striving to ensure that they can garner a huge customer base to increase their premiums. Banc assurance proves to be a worthwhile vehicle for both the Bank and the Insurance Company through the concept of Financial Intermediation. (Thoronjo, 2010). More importantly, their combined efforts increases customer loyalty as accumulators of funds as clients perceive that they will invest in the funds wisely thus this theory relates to importance of distribution partnership. The theory presents the argument that firms try to minimize the bureaucratic cost of exchanging resources with the targeted market. Hence, based on this theory, it can be argued that bancasurance is a strategy used for reduction of transactional costs for banks and insurance firms

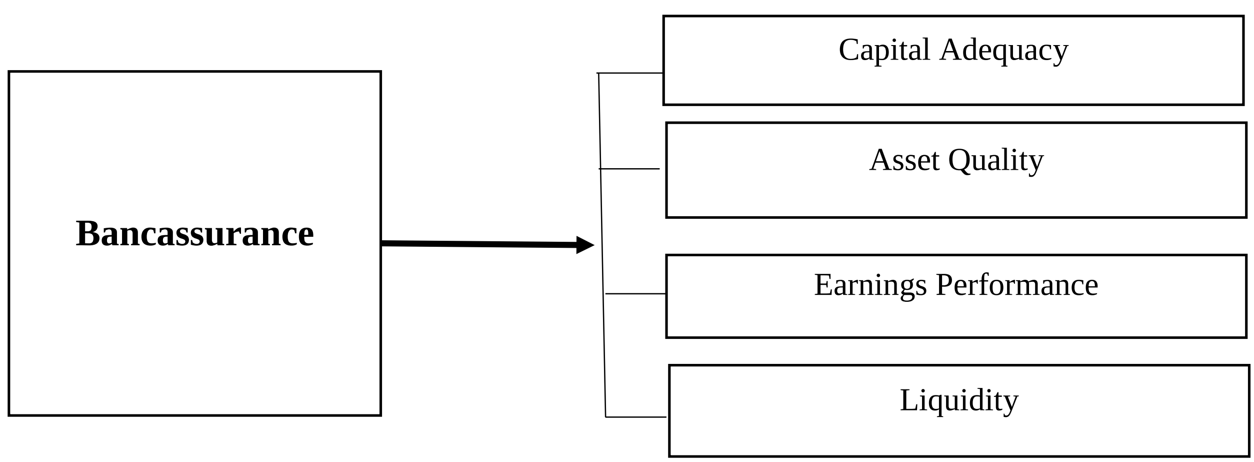
The theory of Informational asymmetry-Gurley and Shaw, (1960) and emphasized that intermediaries came about as a result of informational asymmetry leading to high transactional costs. The need to reduce the effects of imperfect markets gave rise to financial intermediaries as they were seen to eliminate or partially reduce some specific forms of transactional costs through pooling of resources of individual customers leading to scale economies. In this regard, their integration can have a positive impact on their operations in the case of cost- savings. Informational asymmetries focus most of its attention on reduction of costs through increased productivity. The mechanics through which Banc assurance is executed is through the use of the bank's distribution network, that is, its branch network. Thus the fact that Banking and Insurance are similar in provides a great avenue to combine forces at a lower cost could eventually create cross- selling business synergies for banks that could lead to cost- savings through Informational asymmetry.

Modern Portfolio Theory -Markowitz (1952) explains both maximum expected returns and minimum variance should be commended to the investor. These basic principles are the foundation for much of what has been written about risk and return. An efficient portfolio consists of a set of assets that give either a high return for a given level of risk or a low risk for a given level of return. In essence, a shrewd investor may reduce the risk of a negative return by holding a portfolio of different assets in order to mitigate the risk of loss should one of those assets not produce the expected outcome, that is, diversification. Commercial Banks have over the years noticed that there is a need to diversify their portfolio of offerings to remain relevant, increase their earnings and maintain their sustainability in this cut-throat competitive financial services industry, (Omondi, 2013).

Banc assurance as a Bank's strategy to venturing into other areas of business and diversification has positive impacts to its financial performance. Providing a variety of financial services to the same customer base enhances customer loyalty. This could have a positive impact on the long term earnings of the bank. Banc assurance provides additional income to the bank known as fee income. The diversification brings scale, which may make it easier to attract professional management, gain access to international financial markets, or to gain political power in countries where government tries to manage the economy or where laws and regulations are erratically enforced. The theory is important to joint venture between the banks and insurance companies

Conceptual framework

Dependent variable -Bancassurance **Independent variables-Financial performance**



Research Methodology

The study adopted descriptive research design. Target population of the study constituted 108 respondents from 26 commercial banks in the country. The research used purposive sampling to determine the category of employees and departments which directly the factors influencing performance of banc assurance. Therefore, the sample size of the study comprised 84 respondents from 26 commercial banks. The research used primary sources and secondary source. The collected data was processed and analyzed using (SPSS) version 21. Data was then analyzed using descriptive statistics such as frequency counts, percentages, mean, and standard deviation. Statistical information was analyzed through statistical tools such as linear regression model, correlation analysis and ANOVA to give inferences to the data obtained. Multiple regression analysis was to determine the relationship between predictor variables and the dependent variables.

Results and Discussions

Bancassurance on Capital Adequacy

The study sought to establish the influence of bancassurance on capital adequacy of banks and the results of the analysis are shown in Table 4.1.

Table 4.1: Influence of Bancassurance on **Capital Adequacy**

	N	Min	Max	Mean	Std. Dev.
Our bank has had a high capital adequacy ratio for the last 5 years	73	2	5	3.49	.790
Our bank ventured into bancassurance because it was inadequately capitalized and it thus sought capital infusion from bancassurance	73	2	5	3.50	.969
We ventured into bancassurance because banks with higher levels of capital tend to perform better than their undercapitalized peers	73	2	5	3.76	.902
Our bank took up bancassurance since adequate capital provides the ultimate protection against insolvency and liquidation arising from the risk in banking business	73	2	5	3.89	.740
Higher capital levels arising from bancassurance has enhanced our risk mitigation process	73	2	5	3.96	.766
Higher capital levels arising from bancassurance has enhanced our customer product portfolio	73	1	5	3.99	.693
The higher levels of capital arising from bancassurance has enhanced our level of financial performance	73	3	5	3.97	.296

Majority of the respondents agreed that there the banks ventured into bancassurance because they were inadequately capitalized and they thus sought capital infusion from bancassurance (3.50), that the banks took up bancassurance since adequate capital provided the ultimate protection against insolvency and liquidation arising from the risk in banking business (3.89), that they ventured into bancassurance because banks with higher levels of capital tend to perform better than their undercapitalized peers (3.76), that higher capital levels arising from bancassurance had enhanced our risk mitigation process (3.96), that higher capital levels arising from bancassurance had enhanced their customer product portfolio (3.99) and that the higher levels of capital arising from bancassurance had enhanced their level of financial performance (3.97). The respondents were however unsure whether the banks have had a high capital adequacy ratio for the last 5 years (3.49). Furthermore, higher variations in the responses as shown by the standard deviation values were seen when the respondents were asked issues dealing with inadequately capitalization (0.969) and banks with higher levels of capital tend to perform better than their undercapitalized peers (0.902).

Influence of Bancassurance on Asset Quality

The study further sought to establish the influence of bancassurance on asset quality in line with the second study objective. Table 4.2 shows the findings related to asset quality and financial performance.

Table 4.2: Influence of Asset Quality on Financial Performance

	N	Min	Max	Mean	Std. Dev.
Our bank's ratio of net non-performing loans to the gross loans for the last 5 years has been low	73	2	5	3.16	.711
Our bank grants loans that must be well examined and in compliance to existing banking rules	73	2	5	3.52	.884
We ventured into bancassurance because our bank has a sound credit culture that is trusted by our customers	73	1	5	3.72	.984
Our bank's credit policies are integrated with performance objectives and thus bancassurance plays a critical role	73	1	5	3.86	.817
The bank credit management system involves all departments that handle customers thereby minimizing the negative effects of bad debts	73	1	5	4.02	.779
Higher asset quality levels arising from bancassurance in our bank has enhanced our customer product portfolio	73	3	5	4.01	.649
The higher levels of asset quality arising from bancassurance has enhanced our level of financial performance	73	3	5	3.96	.311

The respondents, on average, agreed that the banks grant loans that must be well examined and in compliance to existing banking rules (3.52), that they ventured into bancassurance because their banks had a sound credit culture that is trusted by their customers (3.72), that the bank's credit policies were integrated with performance objectives and thus bancassurance played a critical role (3.86), that the bank's credit management system involves all departments that handle customers thereby minimizing the negative effects of bad debts (4.02), that higher asset quality levels arising from bancassurance in their bank had enhanced their customer product portfolio (4.01) and that the higher levels of asset quality arising from bancassurance had enhanced their level of financial performance (3.96). The respondents were however unsure as to whether the bank's ratio of net non-performing loans to the gross loans for the last 5 years had been low (3.16). Furthermore, higher variations in the responses as shown by the standard deviation values were seen when the respondents were asked whether the bank had a sound credit culture that is trusted by our customers (0.984).

Influence of Bancassurance on Liquidity

The study then sought to establish the influence of Bancassurance on liquidity of banks in Kenya.

Table 4.3: Influence of Bancassurance on Liquidity

	N	Min	Max	Mean	Std. Dev.
Our bank's liquidity ratio for the past 5 years has been above the recommended ratio of 20%	73	2	5	3.56	.788
Our bank often meets its short term obligations due to increased liquidity arising from bancassurance	73	2	5	3.85	.890
We ventured into bancassurance in order to raise our liquidity holdings and reduce liquidity risks	73	2	5	4.05	.784
Our bank's credit policies are integrated with performance objectives and thus bancassurance plays a critical role	73	2	5	4.10	.786
The bank's increased liquidity arising from bancassurance has enhanced our loan disbursement to customers	73	2	5	4.08	.637
Higher liquidity levels arising from bancassurance in our bank has enhanced our customer product portfolio	73	3	5	4.10	.679
Higher levels of liquidity arising from bancassurance has enhanced our level of financial performance	73	3	5	3.99	.475

Majority of the respondents agreed that the bank's liquidity ratio for the past 5 years had been above the recommended ratio of 20% (3.56), that the banks often met their short term obligations due to increased liquidity arising from bancassurance (3.85), that they ventured into bancassurance in order to raise their liquidity holdings and reduce liquidity risks (4.05), that the bank's credit policies were integrated with performance objectives and thus bancassurance played a critical role (4.10), that the bank's increased liquidity arising from bancassurance had enhanced their loan disbursement to customers (4.08), that higher liquidity levels arising from bancassurance in their banks had enhanced their customer product portfolio(4.10) and that higher levels of liquidity arising from bancassurance had enhanced their level of financial performance (3.99).

Influence of Bancassurance on Earnings Performance

The study lastly sought to establish the influence of Bancassurance on Earnings Performance of banks. The findings are depicted in Table 4.4

Table 4.4 Influence of Bancassurance on Earnings Performance

	n	Min	Max	Mean	Std. Dev.
Our bank's venturing into bancassurance has reduced risks in our operations in the last 5 years	73	2	5	3.74	.896
Our bank often offers other auxiliary services to our customers since venturing into bancassurance	73	1	5	3.83	.909
Despite venturing into bancassurance our management has been able to minimize operating expenses	73	2	5	3.98	.874

Our bank's management ensures smooth day to day operations, handling of risks and provision of stewardship in bancassurance activities	73	1	5	4.08	.776
The bank's management objective is to maximize shareholder value through bancassurance	73	2	5	4.13	.737
Higher levels of Earnings Performance arising from bancassurance in our bank has enhanced our customer product portfolio	73	3	5	4.19	.611
The higher levels of Earnings Performance arising from bancassurance has enhanced our level of financial performance	73	3	5	3.93	.350

Majority of the respondents were in agreement that the bank's venturing into bancassurance had reduced risks in their operations in the last 5 years (3.74), that the banks often offered other auxiliary services to their customers since venturing into bancassurance (3.83), that despite venturing into bancassurance their management had been able to minimize operating expenses (3.98), that the bank's management ensured smooth day to day operations, handling of risks and provision of stewardship in bancassurance activities (4.08), that the bank's management objective was to maximize shareholder value through bancassurance (4.13), that higher levels of Earnings Performance arising from bancassurance in their banks had enhanced their customer product portfolio (4.19) and that the higher levels of Earnings Performance arising from bancassurance had enhanced their level of financial performance (3.93).

Regression Analysis

The study carried out a regression analysis to test the significance of the influence of the independent variables on financial performance (ROA). The model summary is depicted in Table 4.5.

Table 4.5: Regression Model Summary

Model	R	**R2**	**Adjusted R2**	**Std Error Of The Estimate**
ROA	0.7851	0.6163	0.6178	0.4247

The R2 value of 0.6163 implies that 61.6% of the variations in the financial performance of banks in Kisii Town can be explained by the variations in independent variables. This therefore means that other factors not studied in this study contribute 39.4 % of financial performance of banks in Kisii Town, Kenya. The corresponding coefficients are presented in Table 4.5.

Table 4.5: Multiple Regression Analysis for financial performance

Model		**Unstandardized**	**Coefficients**	**Standardized coefficients**		
1		**B**	**SE**	**B**	**T**	**P**
	Constant	1.562	1.244	0.304	2.773	0.271
	Capital Adequacy	0.378	0.142	0.304	3.432	0.001
	Asset Quality	0.792	0.128	0.491	3.220	0.012
	Liquidity	-0.097	0.044	0.039	1.902	0.076
	Earning Performance	5.192	0.144	0.153	2.732	0.004

From the multiple regression model, holding capital adequacy, asset quality, liquidity and Earnings Performance constant, financial performance of banks would increase by 1.562. It was established that a unit increase in capital adequacy would cause an increase in financial performance by a factor of 0.378, a unit increase in asset quality would cause an increase in financial performance by a factor of 0.792, a unit increase in liquidity would cause a decrease in financial performance by a factor of 0.097 and a unit increase in Earnings Performance would cause an increase in financial performance by a factor of 5.192. The un-standardized beta coefficients were then used to obtain the overall relationship and the model was formulated as:

Y = 1.562 + 0.378X1 + 0.3792X2 - 0.097X3 + 5.192X4

Where Y = Bancassurance (B), X1 = Capital Adequacy, X2 = Asset Quality, X3 = Liquidity, X4 = Earnings Performance. From the model capital adequacy is positively related and statistically significant to ROA. Asset Quality showed a positive effect to ROA of 0.792.

Earnings Performance was the variable found to have the greatest positive effect (5.192) on financial performance. The implication was that the highly performing banks have the best caliber of management staff and pay their employees well relative to lowly performing banks. Lastly it was found that liquidity had a negative effect of -0.097 though it was statistically insignificant. These can be explained by the fact that the opportunity cost of holding high liquidity which is characterized by loss of an opportunity to hold onto high interest generating investments would indicate that there is an optimal point beyond which high liquidity has no gainful effects.

Summary of Findings

Majority of the respondents agreed that there the banks ventured into bancassurance because they were inadequately capitalized and they thus sought capital infusion from bancassurance (3.50). The respondents, on average, agreed that the banks grant loans that must be well examined and in compliance to existing banking rules (3.52), that they ventured into bancassurance because their banks had a sound credit culture that is trusted by their customers (3.72), that the bank's credit policies were integrated with performance objectives and thus bancassurance played a critical role (3.86), that the bank's credit management system involves all departments that handle customers thereby minimizing the negative effects of bad debts (4.02),

Majority of the respondents agreed that the bank's liquidity ratio for the past 5 years had been above the recommended ratio of 20% (3.56), that the banks often met their short term obligations due to increased liquidity arising from bancassurance (3.85), that they ventured into bancassurance in order to raise their liquidity holdings and reduce liquidity risks (4.05), that the bank's credit policies were integrated with performance objectives and thus bancassurance played a critical role (4.10),

Majority of the respondents were in agreement that the bank's venturing into bancassurance had reduced risks in their operations in the last 5 years (3.74), that the banks often offered other auxiliary services to their customers since venturing into bancassurance (3.83), that despite venturing into bancassurance their management had been able to minimize operating expenses (3.98), that the bank's management ensured smooth day to day operations, handling of risks and provision of stewardship in bancassurance activities (4.08).

Conclusion of the Study

The concluded that banks ventured into bancassurance because they were inadequately capitalized and took up bancassurance since adequate capital provided the ultimate protection against insolvency and liquidation arising from the risk in banking business. Similarly, It was concluded that higher asset quality levels had enhanced their customer product portfolio and thus enhanced their level of financial performance. The study concluded that liquidity significantly influenced financial performance of banks though the influence was negative in nature. Lastly it was concluded that Earnings Performance played a key role in enhancing financial performance of banks since they ensure smooth day to day operations, handling of risks and provision of stewardship. This implied that bancassurance had a positive influence on capital adequacy, asset quality, liquidity and earnings performance of commercial banks in Kenya.

Recommendations

The commercial banks should further entrench bancassurance if they are to improve capital adequacy, asset quality, liquidity and earnings performance.

The commercial banks should train its staff on the bancassurance management to help it improve financial banks of the banks

The commercial banks should employ the use if ICT and cascade bancassurance to the branches for further effectiveness

The Ministry of Finance should create policy that would help manage bancassurance better.

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