IRA

INSURANCE REGULATORY AUTHORITY

STRATEGIC PLAN

2013 - 2018

ISO 9001 : 2008 Certified.

KENYA VISION 2030
TOWARDS A GLOBALLY COMPETITIVE AND PROSPEROUS NATION

INSURANCE REGULATORY AUTHORITY

STRATEGIC PLAN

2013 – 2018

JANUARY 2013

TABLE OF CONTENTS

CONTENTS ..... PAGE

List of Abbreviations and Acronyms Iv

Foreword v

Preface vii

Executive Summary ix

Chapter 1 1

Introduction 1 1

1.1 Background 1
1.2 Insurance and National Development Agenda 1
1.3 Insurance Industry Overview 3
1.4 Insurance Industry Challenges 5
1.5 Role of IRA in National Development 6
1.6 Rationale for The Strategic Plan 6
1.7 Methodology for Developing the Strategic Plan 7
1.8 Planning Assumptions 8
1.9 Organization of the Plan 9

Chapter 2 10

Situational Analysis 10

2.1 Overview of The 2008 – 2012 Strategic Plan 10
2.2 Achievements 10
2.3 Challenges 11
2.4 Lessons Learnt 12

Chapter 3 13

Strategic Analysis 13

3.1 Environmental Scanning 13

3.2 SWOT Analysis 16
3.3 Stakeholder Analysis 19

Chapter 4 21

Strategic Direction 21
4.1 Mandate 21
4.2 Core Functions 21
4.3 Vision 22
4.4 Mission 22
4.5 Core Values 22
4.6 Strategic Issues 23
4.7 Goals 25
4.8 Objectives and Strategies 25

Chapter 5 27

Implementation Plan 27

Chapter 6 36

Implementation Structure and Capacity 36
6.1 Implementation Structure 36
6.2 Implementation Capacity 36

Chapter 7 38

Monitoring and Evaluation 38
7.1 Objectives of Monitoring and Evaluation 38
7.2 Monitoring and Evaluation (M & E) Framework 39
7.3 Key Performance Indicators 39
7.4 Amendment to the Strategic Plan 40

LIST OF TABLES

Table 1: Number of Insurance Industry Players since 2007 4

Table 2: Summary of Key Insurance Industry Performance Indicators 5

Table 3: Key Stakeholders of IRA and corresponding expectations..... 19

Table 4: Objectives and strategies 26

Table 5: Projected Expenditure Requirements 37

Table 6: Key Performance Indicators 40

LIST OF ABBREVIATIONS AND ACRONYMS

AIO	–	African Insurance Organisation
CBK	–	Central Bank of Kenya
CC	–	Corporate Communication
CEO	–	Chief Executive Officer
CMA	–	Capital Markets Authority
CSI	–	Corporate Social Investment
FDI	–	Foreign Direct Investment
FSR	–	Financial Sector Regulators
GDP	–	Gross Domestic Product
GWP	–	Gross Written Premium
HCDA	–	Human Capital Development and Administration
IAIS	–	International Association of Insurance Supervisors
ICP	–	Insurance Core Principles
ICT	–	Information Communication Technology
IRA	–	Insurance Regulatory Authority
IT	–	Information Technology
KPI	–	Key Performance Indicator
M & E	–	Monitoring and Evaluation
MDAs	–	Ministries Departments and Agencies
MOU	–	Memorandum of Understanding
No.	–	Number
PESTEL	–	Political, Economic, Social, Technological, Environmental and Legal
PRD	–	Policy, Research and Development
PSV	–	Public Service Vehicle
QMS	–	Quality Management System
RBA	–	Retirement Benefits Authority
RBS	–	Risk Based Supervision
RRI	–	Rapid Result Initiatives
SASRA	–	Sacco Societies Regulatory Authority
SRF	–	Strategic Results Framework
SWOT	–	Strengths, Weaknesses, Opportunities and Threats
TNA	–	Training Needs Analysis
US$	–	United States Dollar

FOREWORD

Steve O. Mainda, EBS

On behalf of the Board of Directors, Management and Staff of the Insurance Regulatory Authority (IRA), I am happy to present to you the Authority's Strategic Plan for the period 2013 – 18.

This Plan is coming at a time when the country is going through crucial interfaces owing to obligations expected from the 2010 constitutional dispensation as well as the political transition to a new government.

These developments notwithstanding and with signs of growing stability of the insurance industry, I see IRA playing an even greater role through this strategy in supporting realization of the country's development agenda as set out in the Vision 2030 development blue print.

With improving market conditions, I am aware the level of insurance penetration which currently stands at 3.01% is far from saturation. This in essence offers significant prospects for growth of the insurance industry in the long term.

With the Authority having shifted its supervisory regime from compliance based to Risk Based Supervision (RBS), I am more than certain that the industry will now be more efficiently regulated to enable it make significant contributions to Gross Domestic product (GDP).

The RBS focus resonates well with best practice in supervision of the insurance industry globally. More importantly, it mirrors our focus on offering good quality service to our customers as we continue to lay emphasis on issues of consumer protection as per our mandate.

Moving forward, the Authority will address identified insurance industry challenges while at the same putting in place measures to enhance not only industry stability and access to insurance but also contribution of

insurance to national development.

On behalf of the Board of Directors, I wish to assure you of our commitment to full implementation of this plan in line with the results framework put in place.

I therefore call upon all our stakeholders to walk with us on this transformational path as we break new ground and open up new opportunities and frontiers for development of the insurance industry in Kenya in line with our motto of *Bima Bora Kwa Taifa*.

Steve O. Mainda, EBS
CHAIRMAN
BOARD OF DIRECTORS

PREFACE

Sammy Makove

The insurance industry in Kenya has come of age. Owing to this, a number of milestones have been or continue to be realized since inception of the Insurance Regulatory Authority.

The 2013 – 2018 strategic plan therefore presents us with a road map for the next five years. Its development coincides with the Second Medium Term Plan for Kenya Vision 2030 and is coming just before the anticipated changes in management of the country's affairs as set out in Article six of the Constitution on devolved governance.

This plan is an embodiment of our collective promise to our stakeholders on the expected service delivery standards in line with our mandate. It was prepared in a participatory, consultative and all inclusive manner and this is therefore a product of a rethinking of our intentions and thematic focus.

The plan has been informed by experiences and lessons learnt in implementation of the 2008-2012 strategic plan. Analysis of strengths, weaknesses, opportunities and threats helped come up with key strategic issues that define the strategic focus for the next five years. The key issues identified and which will form our programmatic focus for the next five years are industry stability, industry reputation, level of insurance penetration and access to insurance services, consumer protection and education; and building institutional capacity.

To maintain focus on the strategic issues, three goals are identified as follows;

i. Promoting consumer education and protection.

ii. Promoting an inclusive, competitive and stable insurance industry.

iii. Offering quality customer service.

For each goal, program areas in terms of strategic objectives, strategies and activities have been identified.

To ensure full implementation of program areas and in line with the Government's Results Based Management (RBM), the implementation matrix will be translated into annualized results matrix linking performance with the outputs required to realize our mission.

An appropriate monitoring and evaluation framework has been put in place to track progress in plan implementation with provisions that allows for lessons learnt to be factored into subsequent planning cycles.

May I take this opportunity therefore to thank all those who were involved in one way or another in realizing this plan. We shall rededicate our efforts in ensuring achievement of set targets.

I do look forward to seeing results arising from full implementation of the strategic plan.

Sammy Makove
COMMISSIONER OF INSURANCE/CHIEF EXECUTIVE OFFICER

EXECUTIVE SUMMARY

Following expiry of the 2008 – 2012 strategic plan, the Authority undertook to develop a new strategic plan for the period 2013 – 2018, taking into account the changing operating environment. The plan takes cognizance of changes taking place in the national policy environment especially given the adoption of a new constitutional dispensation as well as the need to continuously align with the Kenya Vision 2030.

In developing this plan, a participatory and all inclusive approach was adopted. This entailed review of various documents, consultations with key stakeholders and workshops for the Board of Directors and Management.

An analysis of the Authority's past performance and a scan of the operating environment were carried out focusing both on internal and external environment. The analyses resulted in the identification of the strengths, weaknesses, opportunities and threats as well as stakeholder rights and obligations. The situational analysis culminated in identification of strategic issues that were key in developing institutional goals over the plan period. The goals identified for were:

1. Promote consumer education and protection.

2. Promote an inclusive, competitive and stable insurance industry.

3. Offer quality customer service.Promote consumer education and protection.

For each of the identified goals, strategic objectives were formulated and strategies to be pursued developed. The strategic objectives are as follows:

1. Enhance settlement of claims admitted to be within 30 days.

2. Enhance complaints resolved within 30 days from 63% in 2012 to 90% of complaints lodged by 2018.

3. Improve insurance awareness levels by 10% from the baseline.

4. Improve insurance penetration from 3.1% in 2012 to 3.5% by 2018.

5. Enhance access of insurance services in the counties

6. Enhance stability of the insurance industry.

7. Increase customer satisfaction from 79% to 85% by 2018.

The implementation plan for operationalizing the objectives and strategies are presented in chapter six. The implementation plan identifies for each strategy, the expected outcome, the activities, output indicators, timeline and implementing actors. This is followed by a monitoring and evaluation (M&E) framework in chapter five. The M&E framework includes key performance indicators for tracking results.

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND

Established in 2007, the Insurance Regulatory Authority (IRA), formerly Department of Insurance is a state corporation with a mandate to regulate, supervise and develop the insurance industry in Kenya. In execution of its mandate and in seeking to enhance the policy and regulatory environment for the insurance sector, the Authority works closely with various stakeholders locally, regionally and internationally. The aim of such partnerships is to promote the development of the sector while at the same time ensuring that the interests of policyholders and insurance beneficiaries are protected.

In doing this, the Authority does recognize that a well-functioning insurance industry is critical in socio-economic development of the country through protection of investments, enhancement of peace of mind of investors and citizens, mobilization of savings, provision of investment funds and enhanced living standards of the citizens.

1.2 INSURANCE AND NATIONAL DEVELOPMENT AGENDA

1.2.1 Role of the Insurance Industry in National Development

Insurance industry contributes to national development through providing broader insurance products and services, fostering entrepreneurial attitudes, encouraging investment, innovation, market dynamism and competition, offering social protection alongside the state, releasing pressure on public sector finance; enhancing financial intermediation, creating liquidity and mobilizing savings.

As major institutional investors, insurers pool resources and channel them towards investment opportunities thereby facilitating firms to access capital which then contributes to national development.

1.2.2 Policy Framework

As one of the key pillars of the financial services sector, the insurance industry is indeed central to realization of financial services objectives as set out in the Vision 2030, a long-term development blueprint for the Country. With the aim of deepening financial services and enhancing access to and inclusion, the Vision 2030 recognizes that as the economy expands and disposable incomes rise, there will be growth in insurable assets thereby generating demand insurance services.

To achieve this, the Vision 2030 emphasizes the need to improve efficiency and outreach of insurance service providers, which can be achieved through consolidation, public education campaign, and investment in new technology that will enable the sector widen its reach and coverage at minimal costs. In turn, this will result in increased contribution of insurance industry to GDP

1.2.3 Consumer Protection

With promulgation of the Constitution 2010 and enactment of the Consumer Protection Act 2012 among other laws, focus on the consumer has and will continue to considerably gain momentum. The implications of this changes is shifts in the nature of rights and responsibilities of a regulator viz a viz consumers of insurance services as regards access to information as well as standards of service delivery.

A central information problem that insurance consumers face is judging product quality due to the complexity of the contract, the contingent nature of many of the services provided (e.g. claims handling and payments) and the fact that services may be provided over time (e.g. investments). As a result, product quality is difficult to ascertain prior to purchase hence the need for regulatory oversight given implication of a

consumer driven market and intermediation.

1.3 INSURANCE INDUSTRY OVERVIEW

1.3.1 Global Operating Environment

At the global level, the insurance industry has continued to operate under challenging economic environment which presents opportunities and incentives for innovation. This has resulted to new markets and businesses/products. In addition, new supervisory models are being adopted to effectively respond to the emerging challenges in the industry. For the insurance industry to remain competitive, the regulatory environment must effectively respond to the disruptive and changing market needs and supervisory models.

Consequently, the industry will continue to experience significant regulatory shifts in the coming years as a result of ongoing initiatives at global, regional and national level. The International Association of Insurance Supervisors (IAIS) continues to develop global standards, principles and guidelines on a wide range of regulatory issues such as reinsurance, solvency, mutual recognition of different regulatory regimes and corporate governance. These initiatives seek a convergence of regulatory regimes and a reduction in conflicting and duplicative laws for insurers and reinsurers trading across borders.

In the international market, a shifting to a consumer driven market is evident. This has implications for insurance supervision and regulation as it requires a sharper focus on supervisory systems and practices in tandem with internationally accepted practices in order to continually cope with the changing environment.

1.3.2 Domestic Industry

The insurance industry in Kenya has continued to register significant

growth prospects. The growth has been both quantitative and qualitative with increases in the number of industry players and range of services offered. The movement in the number of licensed industry players in the last four years are as captured in Table 1.

Table 1: Number of insurance industry players since 2007

Industry player	Year				
	2007	2008	2009	2010	2011
General insurers	20	19	20	21	22
Long term insurers	7	7	10	10	10
Composite insurers	17	17	14	16	13
Medical insurance providers	24	21	25	24	28
Re-insurers	2	2	2	2	2
Insurance brokers	190	149	156	161	168
Insurance agents	3,085	3,355	3,644	3,931	4,554
Motor assessors	220	172	61	78	88
Insurance investigators	-	-	106	115	127
Insurance surveyors	27	19	20	26	28
Loss adjusters	22	18	19	21	22
Claims settling agents	1	2	1	2	2
Risk managers	7	6	7	10	10

An analysis of the insurance industry performance indicates that the gross direct premium income increased from Kshs 48 billion in 2007 to Kshs 91 billion in 2011. Table 2 shows a summary of key insurance industry performance indicators.

Table 2: Summary of key insurance industry performance indicators

Key indicator	Year (Amounts in Kshs 'Billion')				
	2007	2008	2009	2010	2011
Gross direct premium income	48.01	55.25	65.01	76.91	91.81
Net premium written	39.63	45.60	45.60	64.12	75.07
Claims incurred	22.09	23.20	29.08	35.26	53.75
Net commissions	5.50	7.25	8.71	10.27	6.33
Expenses of management	12.90	12.60	14.64	16.76	17.11
Underwriting results (General business)	0.24	0.87	0.40	1.27	2.42
Investments	114.59	123.62	113.45	177.52	153.17
Investment income	11.14	8.19	12.11	23.37	5.46
Operating profit/ loss after taxation	3.55	3.35	3.42	7.63	6.91
Assets	146.54	154.45	178.40	223.49	222.70
Shareholder's funds	38.35	38.16	41.47	58.65	44.88

1.4 INSURANCE INDUSTRY CHALLENGES

Despite the significant growth in the industry, insurance penetration remains at 3.1% as of year 2011 with an estimated insurance density of US$ 25.3. According to the Sector Performance Standards 2009-2030, it is envisioned that the penetration ratio will grow to 5% by 2030.

The low uptake of insurance continues to be attributed to factors such as; general lack of a saving culture among Kenyans, low disposable incomes for the majority of the population with close to 50% of Kenyans living below the poverty line, limited understanding of insurance among majority of the citizens and a poor perception of insurance especially with regard to settlement of claims, among others.

The other challenges facing the insurance industry include existence of

insurance fraud cases that have the potential of crippling the industry, capitalisation, skills shortages coupled with limited investment in recruitment, training and career development, and high number of insurance companies in relation to GDP levels leading to overcapacity and price wars.

1.5 ROLE OF IRA IN NATIONAL DEVELOPMENT

The regulatory oversight provided for in the Insurance Act enables IRA regulate, supervise and develop the insurance industry in Kenya while at the same time ensuring that the interests of policyholders are protected. By benchmarking with other regulators locally, regionally and internationally, the regulatory oversight provided by IRA enables foster a culture of stability which in turn helps stimulate demand for insurance services. In turn, this will result in increased contribution of insurance sector to the country's GDP.

1.6 RATIONALE FOR THE STRATEGIC PLAN

The Authority has been implementing its first 5-year strategic plan running for the period 2008 – 2012. With the end of the plan period, there was need to develop a new strategy that will take the Authority through the next five years in line with the medium Term Plan of the Vision 2030. Additionally the following reasons necessitated the development of the new strategy:-

i. Provide an opportunity for stakeholders to contribute to redefining the strategic focus of the Authority

ii. Provide an overall framework for prioritization and allocation of resources.

iii. Serves as a nerve centre for development and program coordination to avoid activity duplication and overlap thereby enhancing synergies.

iv. Articulate goals, objectives and a set of activities for promoting socio-economic development in line with national policy.

v. Provides the basis for formulation of annual plans, annual budgets to be implemented using resources from premium levy as well as other sources.

vi. Help in planning and implementation of projects by all the other stakeholders in the Local Authorities.

1.7 METHODOLOGY FOR DEVELOPING THE STRATEGIC PLAN

Board members and employees of the Authority were involved in the strategic planning process at different stages. The four perspectives of the Balanced Scorecard approach to planning (Financial, Customer, Internal Business Processes, and Learning & Growth) were taken into consideration when developing the strategic plan. Specifically the following steps were followed:

a) Review of available information for the purpose of understanding the Authority's Mandate, Vision, Mission, expected outputs and the progress in implementation of the 2008-12 Strategic Plan;

b) Review of the Government agenda and policy documents to understand the role of insurance and IRA in contributing to the achievement of the national development agenda as set out in the Kenya Vision 2030;

c) Analysis of internal and external factors that may have impacted on the implementation of the 2008 – 2012 Strategic Plan; and

d) Development of a revised strategic document in line with the agreed information from the analysis of all areas of the Authority's operations.

The approach was extended to include:

- Interviews with Heads of Division and staff, a process that helped

validate the Authority's functions and strategic direction.

- A workshop/retreat to deliberate and validate the SWOT analysis, KRAs, Vision Statement, Mission Statement, Core Values, future Strategy and Action Plans was held for both staff and management.
- A participatory and consultative approach was undertaken in order to identify critical issues facing or that may face the Authority in implementing the Strategic Plan; bring out actions required to transform IRA in order to reposition its results orientation for enhanced performance in line with its mandate; and ensure ownership of the Strategy.

1.8 PLANNING ASSUMPTIONS

In developing this Strategic Plan, the following key assumptions were made:

- That the Government will continue to support the Authority in policy proposals and shifts in regulatory oversight and focus while at the same time approving budgets requests in a timely manner;
- That the Authority shall be given latitude and independence by the Government to execute its regulatory oversight under the Constitution, the Insurance Act as well as any other legal frameworks applicable;
- That the stakeholders shall cooperate with the Authority in the various programs and activities as set out in the stakeholder matrix;
- That there will be buy in and goodwill from policyholders, insurance beneficiaries and the general public; and
- That there shall be socio-economic and political stability in the country.

1.9 ORGANIZATION OF THE PLAN

This strategic plan consists of six chapters:

Chapter one is the introduction, which covers the Insurance Regulatory Authority's background, Kenya's development agenda and the insurance industry, the rationale for strategic planning, planning assumptions, the methodology of developing the plan and organization of the plan.

Chapter two presents situational analysis covering evaluation of the Authority's past performance, the internal and external environment analysis and stakeholder analysis.

Chapter three presents strategic direction which covers IRA's mandate, core functions, vision, mission, core values, strategic issues, goals, objectives and strategies.

Chapter four provides the plan for implementing the strategic plan covering the implementation structure and capacity.

Chapter five covers the mechanisms for monitoring and evaluation of the implementation process and the key performance indicators.

Chapter six presents the implementation matrix, which covers for each of the strategic objectives, the strategies, expected outcomes, activities, output indicators, time frame and implementing actors.

CHAPTER TWO

SITUATIONAL ANALYSIS

2.1 OVERVIEW OF THE 2008 – 2012 STRATEGIC PLAN

A review of the implementation status of the 2008 – 2012 was undertaken with a view of establishing performance levels and isolating factors that may have had favourable or unfavourable influence on the Authority. The Authority had identified three goals during the plan period, namely:

i. Protect and educate policyholders and the general public.

ii. Ensure competitive and stable insurance industry.

iii. Strengthen institutional capacity.

2.2 ACHIEVEMENTS

i. Protect and educate policyholders and the general public.

The strategic objectives identified under this goal were to maintain and enhance appropriate supervisory and enforcement mechanisms that deter malpractices; promote a positive public image of the insurance; and promote understanding of insurance contracts. To achieve the set objectives, a number of strategies were identified and activities to operationalize the strategies generated. Most of the envisioned activities were implemented during the plan period. However, there is still need to enhance consumer protection and education.

ii. Ensure competitive and stable insurance industry.

The strategic objectives identified under this goal were to promote fair and efficient insurance market that meets stakeholder needs and enhance the consumer compensation system. Most of the activities planned for were implemented during the plan period and has seen improvements on the performance of the insurance industry. However, the Authority takes cognizance of the need to continue improving competitiveness and stability of the industry and has thus come up with strategies that will pursue this objective further.

iii. Strengthen institutional capacity.

As a way of strengthening the Authority's capacity, IRA had identified a number of objectives and subsequent strategies to be implemented. The objectives included embracing modern technology for effective service delivery; implementation of a Quality Management System (QMS); promotion of a positive and productive work environment; transforming institutional corporate culture; and institutionalizing enterprise risk management framework. Many of the activities identified to operationalize the objectives were implemented.

The activities not yet carried out included assessing the impact of customer relationship management system on complaints resolution; undertaking impact assessment on institutional alliances; and monitoring, evaluating and reporting on implementation of communication plan.

2.3 CHALLENGES

In implementation of the 2008 – 2012 strategic plan, the following challenges were encountered:

i. Low utilization of Information Communication and Technology (ICT) in the industry;

ii. Inadequate legal and institutional framework to handle emerging issues such as new distribution channels (Bancassurance, brand assurance, travel agents), micro insurance, Takaful and PSV

underwriting;

iii. Negative perception of insurance by the general public;

iv. Cases of insurance fraud;

v. Poor corporate governance practices within the industry;

vi. Low levels of capitalisation of some insurance companies;

vii. Low penetration levels of insurance;

viii. High number of insurance companies in relation to GDP levels leading to overcapacity and price wars;

ix. Change of supervisory model from compliance based to Risk Based; and

x. Conflict in various pieces of legislation.

2.4 LESSONS LEARNT

Emanating from the implementation of the 2008 – 2012 strategic plan, need for the following was identified:

i. Enhanced coordination of plan implementation framework including monitoring and evaluation;

ii. Timely generation of industry statistics;

iii. Deepening of consumer education and awareness programs;

iv. Fast tracking the review of the Insurance Act;

v. Adoption of Risk Based Supervision (RBS) framework;

vi. Improvements in knowledge management; and

vii. Continued training in and exposure of IRA staff to modern regulatory and supervisory approaches and industry developments.

CHAPTER THREE

STRATEGIC ANALYSIS

3.1 ENVIRONMENTAL SCANNING

In developing the 2013 – 2018 strategic plan for IRA, an analysis of the Authority's operating environment was undertaken. The analysis entailed assessment of the internal and external operating environments.

3.1.1 Internal environment analysis

Analysis of the internal environment entailed identification of issues within IRA that positively (strengths) or negatively (weaknesses) affects performance. The aspects identified were as discussed below.

i. Financial resources

The Authority's ability to execute its functions is heavily dependent on the financial resources at its disposal. The financial resources of IRA are mainly generated form premium levies charged based on gross direct premium written by the insurance and re-insurance companies. It is envisioned that the strong financial base the Authority currently has will support successful implementation of the Strategic Plan.

ii. Human resources

For effective implementation of the Authority's mandate, IRA considers human resource as the most valuable asset. The Authority has thus engaged a highly skilled workforce to spearhead its operations. However, the Authority lacks specialized skills in some functions like actuarial, risk management and ICT. The Authority will thus need to source for such skills to enable it effectively carry out its operations.

iii. Information communication technology

The Authority takes cognizance of the role ICT has in influence its effectiveness in executing its mandate. Although IRA has made efforts to improve its ICT infrastructure and systems, these are not yet up to the required levels of modernization. The Authority will therefore need to adopt and implement the state of the art systems that shall directly impact its effectiveness in attaining its mandate.

iv. Strategic linkages and alliances

IRA collaborates with international, regional and local bodies, associations and journals [e.g. Central Bank of Kenya (CBK), Sacco Societies Regulatory Authority (SASRA), Capital Markets Authority (CMA), Retirement Benefits Authority (RBA), International Association of Insurance Supervisors (IAIS), and African Insurance Organisation (AIO)] for purposes of sharing information and learning from best practices and cutting edge developments in the insurance industry. However, the Authority has not been strong in ensuring implementation of the learnt best practices and will need to devise mechanisms that will result into implementation of such best practices.

v. Governance

IRA has a Board of Directors in place that is guided by the best governance practices in steering the Authority towards attainment of its mandate. The Board is envisioned to continue playing its fiduciary and oversight role by providing strategic direction and policy guidance to IRA.

3.1.2 External environment analysis

Analysis of the external environment identified factors outside IRA that impact on the Authority positively (opportunities) or negatively (threats). The analysis was undertaken through a review of the political, economic, social, technological, environmental and legal (PESTEL) factors which are outside IRA's control as discussed below.

i. Political factors

The devolved governance system provided for in the constitution will have an impact on the operations of IRA. The Authority will need to put in place measures to ensure that its operations are felt both at the national and county levels.

ii. Economic factors

Kenya's economy recorded a real GDP growth rate of 4.4% in 2011, 5.8% in 2010 and is projected at 4% in 2012. Though the insurance penetration was at about 3.02% in 2012, it is envisioned to increase in tandem with the growth of the economy. The local and global economic developments give room for opening up of business opportunities. However, the high fuel prices, spiraling inflationary pressures, high unemployment, food shortages due to drought and rising poverty levels have significant bearing on purchasing power of the general population. This coupled with emergence of new issues in insurance such as micro insurance, Takaful, expansion of new distribution channels have decisive influences on operations of IRA and the insurance industry.

iii. Social factors

Some of the socio economic factors that determine how people manage risks in Kenya are diseases, poverty levels and literacy levels. The low level of insurance penetration in Kenya has been attributed to, among others, lack of a saving culture among the citizens, low disposable incomes for the majority of the population, and limited financial understanding among majority of the citizens. To be able to reverse the trend and increase the penetration rate, IRA will need to put in place targeted measures that will see insurance penetration grow.

iv. Technological factors

In executing its mandate, the Authority takes cognizance of the advance-

ments in technology being employed both within and without the insurance industry. Efficient and effective supervision, regulation and development of the insurance industry will therefore require adoption of the relevant technologies by the Authority.

v. Environmental (Ecological) factors

The effects of global warming and severe climatic changes have tended to affect food production in traditionally known food basket areas in Kenya. This coupled with potential risks arising from pollution, floods and earthquakes will define the way IRA operates during the strategic plan period.

vi. Legal and Administrative Factors

The legal environment in which IRA operates is likely to experience changes that may define the direction the Authority will take in its functions. While planning therefore, the Authority has taken into account possibility of such legislative changes.

It is also recognized that the legislation processes tend to be lengthy thus hampering the Authority's quest to make necessary adjustments to the Insurance Act. Emanating from the foregoing, there will be need to put in place adequate measures to ensure less/limited disruptions to the insurance industry.

3.2 SWOT ANALYSIS

Arising from internal and external environment scan, the Authority's strengths, weaknesses, opportunities and threats were identified.

3.2.1 Strengths

i). Strong financial base;

ii). Legal framework;

iii). Sound governance structures; and

iv). Skilled and competent staff.

3.2.2 Weaknesses

i. Limited reach across the country;

ii. In-adequate processes of consumer protection;

iii. Insufficient skills in some functional areas, e.g. actuarial, risk management, ICT;

iv. Limited automation of processes;

v. Low level of implementation of the learnt best practices;

vi. Inadequate implementation of the performance development framework;

vii. Inadequate enforcement of the insurance Act;

viii. Inadequate research to facilitate decision making on technical matters; and

ix. In-adequate office space.

3.2.3 Opportunities

i. Emerging trends in the insurance sector, e.g. micro insurance, Bancassurance, Takaful insurance;

ii. Collaboration with other national, regional and international bodies;

iii. Large uninsured population;

iv. Widening regional insurance market;

v. Technological advancement;

vi. Favourable socio-economic developments, e.g. oil and other minerals; and

vii. Collaboration among financial regulators in financial deepening and inclusion agenda.

3.2.4 Threats

i. Low appreciation of insurance among the public occasioned by low financial literacy levels;

ii. Conservative insurance industry that is resistant to change;

iii. High levels of unemployment and poverty;

iv. High inflation that erodes the consumption and saving power;

v. Unhealthy competition in the insurance industry;

vi. Lack of innovation;

vii. Eroded/poor image of insurance industry;

viii. Unpredictable political arena;

ix. Merging of financial regulators;

x. Terrorism and piracy;

xi. Inadequate regulatory framework;

xii. Changes in government policies; and

xiii. Global changes in the regulatory environment.

3.3 STAKEHOLDER ANALYSIS

A stakeholder is any person, group or institution that has an interest in the activities of IRA. The Authority's stakeholders are varied and are as identified in Table 3

Table 3: Key stakeholders

Stakeholder	Stakeholder Expectations	IRA Expectations
Government (National and County), Ministries Departments and Agencies (MDAs)	• Stability and development of the insurance industry • Statutory compliance • Implementation of Vision 2030 goals for the insurance industry • Transparency and accountability in use of their funds/donations	• Timely policy and legislative development • Provision of an enabling environment
Insurance Industry Players	• Well regulated industry • Accurate and up to date information • Integrity • Capacity building • Promotion of the insurance profession • Facilitation of an enabling environment	• Statutory compliance • Fair treatment of consumers • Fair competition • Self regulation • Upholding professionalism • Insurance education
Service Providers	• Prompt payment for services and goods supplied as per agreements • Fairness and equal opportunity	• Quality and prompt service
Learning / Research Institutions	• Accurate and up to date information • Promotion of the insurance profession	• Development of expertise in insurance related fields • Engage in insurance related research
Media	• Accurate and timely information	• Fair and accurate reporting • Support in consumer education

Stakeholder	Stakeholder Expectations	IRA Expectations
Financial sector regulators and relevant associations locally, regionally and globally	• Mutually beneficial collaboration • Effective capacity Development • Implementation of best practices	Mutually beneficial collaboration Effective capacity development
Policyholders, beneficiaries and general public	• Engage in promotion of awareness of insurance business • Consumer protection • Well-regulated and stable industry • Availability of suitable products • Employment opportunities.	• Increase use of insurance products/services • Know their rights and obligations • Understand the relevant insurance policies
Board of Directors	• Transparency and Accountability	• Guidance and policy direction • Timely decision making
Staff	• Stable and progressive organization • Competitive terms and conditions of service • Efficiency and effectiveness in service delivery	• High Performance levels • Commitment to the IRA mandate • Demonstrate core values

CHAPTER FOUR

STRATEGIC DIRECTION

The strategic direction of the Authority comprises the mandate, vision, mission, core values and strategic objectives.

4.1 MANDATE

The Authority's mandate is to regulate, supervise and develop the insurance industry in Kenya.

4.2 CORE FUNCTIONS

The Authority's core functions as set out in the Insurance (amendment) Act, 2006 are to:

i. Ensure the effective administration, supervision, regulation and control of insurance and reinsurance business in Kenya;

ii. Formulate and enforce standards for the conduct of insurance and reinsurance business in Kenya;

iii. Issue licenses to all persons involved in or connected with insurance business, including insurance and reinsurance companies, insurance and reinsurance intermediaries, loss adjusters and motor assessors, risk surveyors and valuers;

iv. Protect the interests of insurance policy holders and insurance beneficiaries in any insurance contract;

v. Promote the development of the insurance sector;

vi. Advise the Government on the national policy to be followed in order to ensure adequate insurance protection and security for national assets and national properties;

vii. Issue supervisory guidelines and prudential standards from time

to time, for better administration of the insurance business of persons licensed under the Act;

viii. Share information with other regulatory authorities and to carry out any other related activities in furtherance of its supervisory role; and

ix. Undertake such other functions as may be conferred on it by the Insurance Act CAP 487 of the Laws of Kenya, or by any other written law.

4.3 VISION

Our Vision is: *To be the leading insurance industry regulator.*

4.4 MISSION

Our mission is: *To effectively regulate, supervise, develop the insurance industry and protect insurance beneficiaries.*

4.5 CORE VALUES

Our core values are:

(a) Accountability: -	We exercise prudence in use of public resources entrusted to IRA.
(b) Team Spirit: -	We work effectively with others across functional lines to accomplish objectives.
(c) Transparency: -	We promote openness and candidness.
(d) Integrity: -	We will serve our customers in an impartial, effective and professional way with the highest ethical standards.
(e) Customer focus:-	We are committed to achieving the highest levels of customer satisfaction.

(f) Creativity: -	We believe in continuous improvements in the conduct of our business.

4.6 STRATEGIC ISSUES

Strategic issues are the key performance areas in which the Authority must excel in so as to realize the mission and vision and deliver value to stakeholders. They are therefore the pillars of excellence which the Authority will seek to focus on for the entire plan period and are as follows:

(a) Stability of the industry;

ii. Regulatory framework

iii. Supervisory framework

(d) Reputation of the insurance industry;

(e) Penetration and accessibility;

(f) Consumer protection and education; and

(g) Institutional capacity.

4.6.1 Stability of the Industry

The Authority takes cognizance of the need to have a stable insurance industry in Kenya that will boost both investor and public confidence. Further, a stable insurance industry is envisioned to enhance competitiveness and promote insurance inclusiveness. To attain stability of the industry, the Authority intends to enhance its regulatory and supervisory roles through, among others, implementation of risk based supervision and review of the regulatory framework.

4.6.2 Reputation of Insurance Industry

The reputation of the insurance industry in Kenya has been eroded over the years as a result of both perceived and actual malpractices in the industry. The Authority has identified the eroded reputation as a major hindrance to growth of the industry hence creation of a positive image for the insurance industry is key for growth of the industry.

4.6.3 Penetration and Accessibility

The Vision 2030 has identified financial inclusiveness as a key component to attainment of the vision. As a way of pursuing insurance inclusiveness, IRA has identified penetration and accessibility as areas that will need to be improved for the insurance industry to grow. The Authority has thus formulated strategies that once implemented are envisioned to result into increased levels of market penetration and accessibility of the insurance products.

4.6.4 Consumer Protection and Education

One of the major hindrances to uptake of insurance products is the fear among consumers on the level of protection accorded to their interests. To allay the fear, the Authority has come up with strategies that will ensure insurance providers comply with set regulations and meet their end of the bargain as they fall due. Further, the Authority has identified awareness of insurance products by citizens as a key aspect to enhancing uptake of insurance products and has thus prioritized consumer education as one of the issues that will be pursued during the strategic period.

4.6.5 Institutional Capacity

In pursuit of the set goals and to ensure customers are satisfied, there

will be need for streamlining the operations of the Authority and putting in place measures that will ensure customers are attended to in a timely and friendly manner. Further, the staff will need to be equipped with the necessary skills and facilities to increase motivation and productivity.

4.7 GOALS

A goal is broad a statement of the desired end result arising from implementation of the strategy. For purposes of this strategic plan, the goals were derived from the strategic issues.

The goals identified are as follows:

i. Promote consumer education and protection.

ii. Promote an inclusive, competitive and stable insurance industry.

iii. Offer quality customer service.

4.8 OBJECTIVES AND STRATEGIES

The Authority shall prioritize the following areas for implementation in the period 2013-18**:**

[1] Contribution of insurance to the National GDP

Table 4: Objectives and Strategies

Goal	Objective	Strategy
Promote consumer education and protection	Enhance settlement of claims admitted to be within 30 days	Review relevant provisions of the Insurance Act Monitor and enforce relevant provisions of the Act
	Enhance complaints resolution within 30 days from 63% in 2012 to 90% by 2018	Improve consumer complaints handling processes
	Improve insurance awareness levels by 10% from the baseline	Develop and implement a strategy for consumer education Promote entrenchment of insurance education in the national curriculum
Promote an inclusive, competitive and stable insurance industry	Improve the insurance penetration[1] from 3.1% in 2012 to 3.5% by 2018	Promote insurance uptake Encourage alternative channels of distribution Collaborate with Financial Sector Regulators (FSR) in financial deepening agenda Enhance research for the industry
	Enhance access of insurance services in the counties	Align provision of insurance with devolved governance structure Grow and develop insurance agency force Increase IRA's visibility
	Enhance stability of the insurance industry	Increase risk based capital Enhance supervision of regulated entities
Offer quality customer service	Increase customer satisfaction from 79% to 85% by 2018.	Enhance use of ICT Strengthen Human Capital Enhance customer management process Ensure adequate office accommodation

IMPLEMENTATION PLAN

This chapter presents the implementation matrix, which covers the strategic objectives, the strategies, activities, implementing actors, time frame, expected outcomes and output indicators.

STRATEGIC GOAL 1: PROMOTE CONSUMER EDUCATION AND PROTECTION

Objective 1: Enhance settlement of claims admitted to be within 30 days

Strategy	Expected outcome	Activity	Output indicator	Time frame	Implementing Actors
i. Review relevant provisions of the Insurance Act	Timely claims settlement	i. Prepare budget memorandum	Budget memorandum in place	Feb 2013	Legal
		ii. Lobby for adoption in the finance bill	Inclusion in the finance bill	April 2013	CEO
ii. Monitor and enforce relevant provisions of the Act	Timely claims settlement	i. Conduct on site inspection	Inspection reports	Continuous	Technical
		ii. Follow up on implementation	Status report	Continuous	Technical

Objective 2: Enhance complaints resolution within 30 days from 63% in 2012 to 90% by 2018

Strategy	Expected outcome	Activity	Output indicator	Time frame	Implementing Actors
i. Improve consumer complaints handling processes	Prompt resolution of Complaints	i. Review consumer complaints process	Gap analysis report	Jan 2013	Legal
		ii. Implement consumer complaints report	Efficient process	June 2013 and continuous	Legal

Objective 3: Improve insurance awareness levels by 10% from the baseline

Strategy	Expected outcome	Activity	Output indicator	Time frame	Implementing Actors
i. Develop and implement a strategy for consumer education	Enhanced awareness	i. Develop consumer education strategy	Strategy in place	June 2013	PRD
		ii. Implement consumer education strategy	Level of implementation Outreach programs	Continuous	PRD
iii. Promote entrenchment of insurance education in the national curriculum	Appreciation of insurance Enhanced insurance literacy	i. Engage Kenya Institute of Education	Contract in place	Jan 2013	PRD
		ii. Develop an appropriate curriculum	Curriculum in place	Dec 2013	PRD
		iii. Lobby for adoption of curriculum	Adoption level of curriculum	June 2014	CEO
		iv. Follow up on implementation	Level of implementation	Jan 2015 and continuous	PRD
		v. Review impact of national curriculum	Survey Report	Jan 2017 and continuous	PRD

STRATEGIC GOAL 2: PROMOTE AN INCLUSIVE, COMPETITIVE AND STABLE INSURANCE INDUSTRY

Objective 1: Improve insurance penetration from 3.1% in 2012 to 3.5% by 2018

Strategy	Expected outcome	Activity	Output indicator	Time frame	Implementing Actors
i. Promote insurance uptake	Increase in Gross Written Premium	i. Develop and implement micro insurance framework	MI framework in place Implemented components	June 2014 and Continuous	Technical
		ii. Develop Takaful	Guidelines in place	Dec 2014	Technical
		iii. Develop National Policy on Insurance	National policy in place No. of emerging issues identified[2]	Dec 2017	Technical
ii. Encourage alternative channels of insurance distribution	Increased uptake of insurance products	i. Conduct studies on distribution channels	Study Report Alternative channels	Dec. 2013 and continuous	PRD
		ii. Review legal framework[3]	Budget Memo	Continuous	Legal
		iii. Develop guidelines on new distribution channels	Guidelines	Continuous	Technical

Strategy	Expected outcome	Activity	Output indicator	Time frame	Implementing Actors
iii. Grow and develop insurance agency force	Increased insurance penetration	i. Conduct studies on insurance agencies	Study Report	Jan 2014	PRD
	Growth in Agency Force	ii. Implement outcome of the study	Level of implementation	June 2015	Technical
		iii. Conduct agency training	No. of agents trained	Continuous	Technical
iv. Collaborate with financial sector regulators (FSR) in financial deepening agenda	Increased information sharing	i. Identifying areas of collaboration	Areas identified	Continuous	PRD
		ii. Identify institutions for collaboration	Institutions identified	Continuous	Technical
		iii. Develop MOUs as appropriate	Signed MOUs developed	Continuous	Legal
		iv. Implement MOUs	Implementation status	Continuous	Technical

Strategy	Expected outcome	Activity	Output indicator	Time frame	Implementing Actors
v. Enhance research for the industry	Evidence based decision making	i. Implement research policy	Level of implementation	January 2013	PRD
		ii. Establish appropriate strategic research partnerships and collaborations	No. of research partnerships and collaboration established	Continuous	PRD
		iii. Disseminate research findings	Workshops Reports disseminated	Continuous	PRD

Objective 2: Enhance access of insurance services in the counties

Align provision of insurance with devolved governance structure	Presence of insurance services in the counties	i. Conduct feasibility studies in the Counties	No. of studies conducted	Dec. 2013	PRD
		ii. Disseminate study findings	No. of reports disseminated No. of dissemination workshops/forum	Continuous	PRD
		iii. Implement the recommendations of the study	Implementation status	March 2014 and continuous	HCDA
		iv. Develop guidelines for regulated entities operating in the Counties	No. of guidelines developed and implemented	2014 - 2016	Technical

Objective 3: Enhance stability of the insurance industry

Strategy	Expected outcome	Activity	Output indicator	Time frame	Implementing Actors
i. Increase risk based capital	Higher capitalization	i. Review minimum paid up capital	Minimum capital determined	Dec. 2013	Technical
		ii. Change legal framework	Legal framework changed	Dec 2014	Legal
		iii. Enforce legal requirements on capital	Level of compliance	Dec 2015 and Continuous	Technical
i. Enhance supervision of regulated entities	Compliant insurance companies Enhanced consumer protection	i. Amend the Legal framework to be RBS compliant	Legal framework changed	June 2014	Legal
		ii. Implement the RBS	Level of RBS implementation	Continuous	Technical

GOAL 3: OFFER QUALITY CUSTOMER SERVICE

Objective 1: Increase customer satisfaction from 79% to 85% by 2018.

Strategy	Expected outcome	Activity	Output indicator	Time frame	Implementing Actors
i. Enhance use of ICT	Improved efficiency in Customer Service Delivery	i. Automate business processes	Level of automation	June 2014	ICT
		ii. Integrate business systems	Level of integration	Continuous	ICT
		iii. Undertake training of staff on IT applications	Number of staff trained	August 2014 and continuous	ICT
		iv. Undertake customer service surveys	No of surveys	Annually	PRD
		v. Implement survey recommendations	Level of implementation	Continuous	CC
ii. Increase IRA's visibility	Increased awareness of IRA	i. Develop and implement a brand strategy	Operational brand strategy in place	Continuous	CC
		ii. Undertake corporate awareness campaigns	Level of consumer Awareness	Continuous	CC
		iii. Undertake corporate social investment	CSI events	Continuous	CC
		iv. Conduct study on modalities of increasing access to IRA services in the Counties	Study Report	Dec 2013	PRD

Strategy	Expected outcome	Activity	Output indicator	Time frame	Implementing Actors
iii. Strengthen human capital	Excellence in service delivery	i. Undertake competency development	Level of competency	Continuous	HCDA
		ii. Review performance management framework	Review report	Dec 2013	HCDA
		iii. Undertake organizational culture change management	Customer feedback No. of RRI initiatives	Continuous	HCDA
		iv. Develop and implement talent management programme	Programme in place	Continuous	HCDA
iv. Enhance customer management process	Improved efficiency in customer service delivery	i. Develop customer relationship management strategy	Strategy developed	Dec 2013	CC
		ii. Implement the customer relationship management strategy	Level of implementation	Continuous	IC T
		iii. Implement quality management system (QMS)	Level of implementation	Continuous	MR
		iv. Implement enterprise risk management policy	Level of implementation	Continuous	CEO

Strategy	Expected outcome	Activity	Output indicator	Time frame	Implementing Actors
		v. Develop and implement a policy on information management and sharing	Operational policy on information sharing in place	Continuous	PRD
		vi. Implement survey recommendations	Level of implementation	Continuous	CC
v. Ensure adequate office accommodation	Conducive work environment	i. Undertake an evaluation of the required office space	Report on identified gap in office space	June 2013	HCDA
		ii. Implement the evaluation report/findings	Adequate office space	June 2013 and continuous	HCDA

IMPLEMENTATION STRUCTURE AND CAPACITY

6.1 IMPLEMENTATION STRUCTURE

For effective implementation of this plan, there will be need to review the current organization structure focusing mainly on leveraging on functional synergies in accordance with the Authority's strategic focus as envisioned in this plan. Further there will be need for leveraging on the available skill sets as well as facilitating career progression and succession planning. This will ensure the Authority remains focused on delivering on its mandate by adapting and being responsive to the insurance sector needs.

Further, implementation will involve cascading the plan to the various Divisional Head, Sections and all staff, enforcing performance accountability through performance contracts and performance development framework to include close liaison with other government agencies. Further, there will be need for developing a functional performance monitoring, evaluation and reporting framework.

6.2 IMPLEMENTATION CAPACITY

6.2.1 Staffing Levels

The Authority has 81 members of staff. It will during the plan period cause a work load analysis/job evaluation to establish the optimal staffing levels require for effective implementation of this strategy.

6.2.2 Financial Resources Requirement

Implementation of this strategic plan will be financed by revenues generated from the premium levy in addition to other sources such as bilateral assistance from development partners. The Authority projects to spend Kshs.2.375 billion (excludes capital expenses and staff emoluments) over 5 years as indicated in Table 5:

Table 5: Projected Expenditure Requirements

Objective	2013/14 (Ksh Millions)	2014/15 (Ksh Millions)	2015/16 (Ksh Millions)	2016/17 (Ksh Millions)	2017/18 (Ksh Millions)	TOTAL COST (Ksh Millions)
1. Enhance settlement of claims admitted to be within 30 days	5	6	6	7	7	31
2. Enhance complaints resolution within 30 days from 63% in 2012 to 90% by 2018	2	2	2	3	3	12
3. Improve insurance awareness levels by 10% from the baseline	60	66	73	80	88	366
4. Improve the insurance penetration from 3.1% in 2012 to 3.5% by 2018	57	63	69	76	83	348
5. Enhance access of insurance services in the counties	50	55	61	67	73	305
6. Enhance stability of the insurance industry	5	6	6	7	7	31
7. Increase customer satisfaction from 79% to 85% by 2018	210	231	254	280	307	1282
Grand Total (Ksh Millions)	389	428	471	518	570	2375

CHAPTER SEVEN

MONITORING AND EVALUATION

7.1 OBJECTIVES OF MONITORING AND EVALUATION

In order for IRA to attain the intended goals through the identified strategies, the strategic plan has to be fully implemented. Successful implementation of the plan requires clarifying decision rights, improving information flow, establishing the right motivators (incentives and sanctions) and structuring the Authority to suit the strategies put in place.

Specifically, in order to monitor and evaluate the implementation of the strategic Plan 2013-18:

(a) The Strategy will be translated into performance responsibilities for Heads of Division/Section and the commitment of the Management to the specific set annual targets will be required;

(b) The Authority will develop detailed work plans against which performance will be evaluated on a regular basis;

(c) Each Officer will extract specific targets, roles, responsibilities as per the work plan and the accountability of all will be required on a regular basis;

(d) Specific drivers for the implementation of the Strategy will be identified and action plans prepared to address any bottlenecks that might arise. This will ensure conformity with all plan requirements with management expected to provide support;

(e) The annual performance contracts signed between the Government and the Board of Directors of the Authority and whose implementation will be monitored and evaluated through the performance contracting cycle will be derived from the annual Action Plans to the Strategic; and

(f) Management Committee meetings, chaired by the Chief Executive Officer, will be held on a regular basis to review progress over the implementation of the Strategic Plan.

7.2 MONITORING AND EVALUATION (M & E) FRAMEWORK

The following M & E framework will be put in place to ensure implementation of the strategic plan:

(a) M & E champions will be appointed in all functional areas with the CEO and Heads of Division overseeing overall implementation of the strategy.

(b) The champions will hold quarterly meetings or as need may arise to review the status of the plan implementation.

(c) Quarterly and annual reports on progress in implementation of the plan will be generated and presented to management and the Board.

(d) The plan will be reviewed mid-term.

The Management will be expected to closely monitor actual performance to planned or targeted performance and take sufficient measures and actions to ensure attainment of set targets. Action Plans shall have sufficient detail to enable monitoring and evaluation of progress and milestones in implementing the Strategy for each Strategic Goal, Strategic Objective, Strategy and Activity.

Note: The key performance indicators in section 5.3 will provide guidance on more objective review of the progress of the strategic plan implementation.

7.3 KEY PERFORMANCE INDICATORS

Table 6 shows the projected key performance indicators (KPIs) for financial and non-financial targets set for the year 2013 to 2017.

Table 6: Key performance indicators

KPIs	2012	2013	2014	2015	2016	2017
Penetration Ratio (%)	3.1	3.2	3.3	3.34	3.4	3.5
Insurance density (US$)	25.3	28	31	34	37	40
Complaints resolution (%)	63	70	75	80	85	90
Market Capitalization (Kshs billion)	60	60	85	85	85	85
Awareness of Insurance/literacy (%)	x	1.1x	1.21x	1.33x	1.46x	1.61x
Customer satisfaction (%)	79	80	82	83	84	85
Employee Satisfaction (%)	70	73	76	79	82	85
Automation index (%)	54	60	65	70	75	80

7.4 AMENDMENT TO THE STRATEGIC PLAN

The Authority shall implement this Five Year Strategic plan to ensure achievement of the set out goals (three), strategic objectives (seven) and strategies (eighteen).

Any amendment to be made to this Strategic Plan resulting from changes in government policy, regulatory changes locally, regionally or globally as well as any others changes shall be done in line with the ISO Documented Procedures.

INSURANCE REGULATORY AUTHORITY
P.O. Box 43505, 00100, Nairobi
Zep-Re Place Off Mara Road - Upper Hill, Nairobi

Tel: (254) - 020 - 4996000
Mobile: (254) - 0719047000
(254) - 0727563110
Fax: (254) - 020 - 2710126

Email: commins@ira.go.ke
Website: http://www.ira.go.ke