



**INSURANCE REGULATORY AUTHORITY**

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**AN ASSESSMENT OF STAFF SKILLS AND COMPETENCY LEVELS  
IN INSURANCE COMPANIES IN KENYA**

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The report has benefited from information, comments, advice, and literature obtained from the Insurance Regulatory Authority; the chief executives and administrators of the members of the Association of Kenya Insurers; and select insurance companies in the Market.

These contributions, comments, and suggestions are gratefully acknowledged

## **ACKNOWLEDGEMENTS**

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## ABBREVIATIONS AND ACRONYMS

AKI	-	Association of Kenya Insurers
CEO	-	Chief Executive Officer
CDPs	-	Continuous Development Programmes
COP	-	Certificate of Proficiency
CPA	-	Certified Public Accountant
CPS	-	Certified Public Secretary
HR	-	Human Resource
HRM	-	Human Resource Management
ICPAK	-	Institute of Certified Public Accountants of Kenya
ICT	-	Information Communication Technology
IIK	-	Insurance Institute of Kenya
IRA	-	Insurance Regulatory Authority
ITET	-	Insurance Training and Education Trust
PSV	-	Public Service Vehicle
TNA	-	Training Needs Assessment

## EXECUTIVE SUMMARY

Insurance companies in Kenya have traditionally differentiated themselves on the basis of product and market segmentation. Insurance companies will be expected to first constantly seek ways of ensuring they are more efficient, productive, flexible and innovative, maintaining a competitive advantage now and in the future and how they will in addition to finance and technology, inordinately depend on how they will manage and factor as differentiator, the human resource compliment. With the industry undergoing significant change over the last few years and the regulator moving away from rule based to risk based supervision, the importance of a strong human resource compliment among insurance companies cannot be gainsaid. There is therefore need for sound understanding and appreciation of the human resource complement in the insurance industry by undertaking an audit of the skills and competency levels obtaining in the industry.

In proposing this study, it was indeed recognized that there had been little or no research undertaken in this area in the industry in the recent past. Nonetheless, the Insurance Act does provide for approvals by the regulator of key management staff, the principal officer and the Board of Directors. In essence, data and information is submitted to the regulator by insurers seeking approvals of these cadres of human resource especially at the time of annual licensing. This study sought to establish available skills and competencies in order to identify any gaps arising and ways of addressing the identified gaps. Specific attention was drawn to the management cadres.

The findings indicated that the managers are well aware of the extent to which they can access relevant skills and competencies to aid in effective execution of their duties. Deficiencies in skills and competencies were identified in the areas of marketing and public relations; human recourses skills (in terms of building capacity, motivating employees, remuneration, corporate governance (especially training in ethics), and communication

skills). All the sample firms conduct on-the-job of in-house trainings for their managers. The main areas of focus for such trainings include customer relations; coaching and mentoring; communication; human resources; and marketing management. Other areas such as time management; stress management; project management; and report writing feature with little significance. The trainings are mainly conducted by private consultants, with very little consideration to institutional providers such as the College of Insurance, universities and tertiary colleges. The analysis showed various gaps identified after the firms conducted training needs assessments. A number of challenges were identified that hinder the development of skills and competencies at both the company and industry levels. According to the sampled informants from the industry lobby association (AKI) and the College of Insurance, there are two major challenges facing the development of skills and competencies in the insurance industry specifically; the prevalence of rigid and closed management structure where the employees are not involved in decision making; and the issue of funding deficiency. There is hardly any company that allocates adequate resources towards enhancement of staff capacity. At the company level, the main challenges to skills development are resource-based, morale-based, and competency-based. At the global level, a number of practices prevail which the Kenyan insurers and the regulators may consider adopting. A number of recommendations were proposed for policy and practice.

# CHAPTER ONE

## 1.0 STUDY INFORMATION

### 1.1. Background

Insurance companies are an important and growing segment of the domestic financial sector in Kenya. Insurance plays a key role in supporting economic and financial development and as a provider of protection from financial loss due to the occurrence of certain contingent events. This then allows investors to enter into commitments that they might not have otherwise been prepared to consider. Accordingly, the insurers' efforts at mitigating risk and to make transfer of risk more affordable and manageable contribute to financial development. Hence the need for insurance companies to be managed by skilled and competent persons.

The importance of technically qualified and competent staff to manage insurance companies is provided for in the legal regulatory framework in Kenya through the Insurance Act. This is because skills and competences are an integral part of an efficient functioning of the insurance industry in Kenya. It is the desire of every employer to have skilled and competent management staff if they hope to compete effectively in their areas of operation. Staff should therefore undergo new training and competency requirements so as to comply with the provisions of the Insurance Act and generally good practices in management of insurance companies.

In order for an insurer to be registered to transact insurance business in Kenya, the Insurance Act 2007 Section 31(h) requires an insurer to have an adequate number of technically qualified and competent staff (technical or professional qualification in insurance, accounting or banking) approved by the Commissioner of Insurance to manage an insurer. The principal officer should in addition have more than ten years' experience in

managerial capacity in the respective sector. This is to ensure that anyone engaged in insurance business has requisite knowledge and expertise to execute the functions.

### **1.2. The Research Problem**

Since the introduction of the Insurance Act, CAP 487 of the Laws of Kenya, supervision and regulation of insurance business has greatly improved industry performance. For instance, the insurance industry has over the last decade continued to register double digit growth in gross written premium income with insurance penetration dovetailing around 3%. These developments have bestowed to the industry a number of challenges and opportunities of which key among them is the required human resource capacities and compliment to drive the growth agenda as set out in the Vision 2030.

For purposes of the execution of the Insurance Act in the conduct of the insurance business, the principal officer dully appointed by an insurer is charged with the responsibility of general control, direction and supervision of insurance business. The Insurance Regulatory Authority performs a fit and proper audit for directors, principal officers and key management staff and grants approval. It therefore suffices that the Insurance Act requires insurers to show that their staff, especially the principal officer and management have the requisite competencies to professionally manage an insurance company before being formally granted a license to transact insurance business. This notwithstanding, there was an outstanding need for an assessment of the general skills and competencies obtaining in the insurance industry including market practices in order to inform policy and decision making at IRA. This study sought to achieve this identified need.

### **1.3. Purpose/Relevance of the Research**

Recognizing the significance of skilled and competent staff in the management of insurance companies in Kenya, this study sought to among other things document the role and experience of key staff involved in the management of insurance companies, identify any

challenges faced in the management of insurance companies, profile any additional skills and competencies that may be required in order to provide policy solutions on addressing the human resource challenges identified. The study stands to help IRA in establishing a baseline insurance industry skills and expertise. It should also bring forth the status of and/or shortcomings in the companies' staff development programmes. The study is also of use to stakeholders, public sector partners (government) and anyone with an interest in the current and future skills of labour market issues facing the insurance industry.

#### **1.4. Rationale of the Study**

No concrete information is available on the level skills in the insurance Industry, hence the need for this study and there is need to carry out a study to establish human resource issues that may impede the management of the insurance industry. Staff competences in the industry are a major factor that needs to be established as this will enable IRA put in place targeted strategies for developing the capacity of the insurance industry. Since all insurers submit information on staff skills to IRA focusing on Board of Directors, Principal Officer and key management staff, the research reviewed the data submitted and also developed a specific and targeted tool for collecting further information to address the objectives of the study on site from the Human Resource Managers of insurance companies.

#### **1.5. Objectives of the Study**

The main objective of the study was to assess competency levels among key level staff involved in the management of insurance companies in Kenya. Specifically the study sought to achieve the following:-

- i. To document technical skill and competencies of staff with significant responsibility for management of insurance companies
- ii. To identify challenges they face
- iii. To establish the best practice through benchmarking and
- iv. To recommend means of addressing the identified challenges

## **1.6. Scope of the Study**

The study focused on assessing skills and competencies of management staff in insurance companies. It sought to identify challenges faced; best/ desirable practice as well as recommend ways of addressing the identified challenges. Management staff are the people responsible for achieving the organizations' main objectives by executing the key functions such as policy making, target setting and decision making. They are therefore responsible for the day to day running of the organization. The study focused on a sample of 16 companies drawn from all 47 insurance companies in Kenya. This number was fairly representative as it covered at least 30% of the population. The geographical target area was Nairobi since most of the target companies have their headquarters situated in Nairobi.

## **1.7. Key characteristics of Issues to be addressed**

The study reviewed aspects such as gender, current job designations as used across selected insurers, roles and responsibilities, academic and professional qualifications, work experience, training and capacity development programmes, challenges managers face, skills and knowledge required to enable them perform their duties and responsibilities, among others.

## CHAPTER TWO

### 2.0 CONCEPTUAL APPROACH

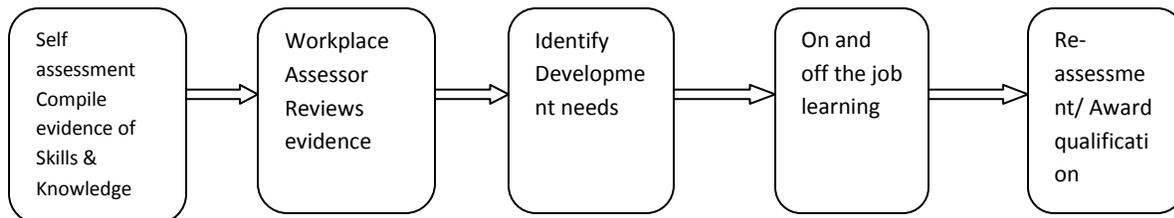
#### 2.1. Introduction

A key piece of information any organization needs to know is what skills and knowledge that organization has. Skills audit is a process that can be used to identify the skill gaps in the insurance industry and the outcome is a training needs analysis that identifies where training is needed. This section presents the conceptual model that guided the study.

#### 2.2. Competency

Competency assessment is an ongoing process of continually building knowledge and skills. The Insurance industry is more dynamic now and competency assessment addresses the need to stay ahead of the curve. There are a number of different ways of doing competency assessment. The method described here is designed to be a more objective assessment and provides better quality outcomes (See Figure 1).

**Figure 1: The Conceptual Approach**



As shown in Figure 1, the process starts with a person assessing themselves against a set of competencies. They compile a list of evidence that shows they are competent. A workplace assessor, someone with considerable experience in the area being assessed, reviews the evidence and verifies the person performing the skill. Development needs are identified. The person uses a variety of sources, both on and off the job to develop the areas identified. After a period, the person is reassessed and if they can now demonstrate the skills, they are awarded competence.

### **2.3. Individual Analysis**

Individual analysis focused on gender, age, department, job description, nomenclature, academic and professional qualifications, key responsibilities, professional development programmes, work experience (sectoral and overall), pre-service and in-service training etc. This was compared against the expected standard as outlined in the Insurance Act leading to identification of strengths, weaknesses and needs, which can help determine the corrective action to be taken, for example; who needs training, what type of training and the readiness for training for the individual or some other corrective means like improving the working environment.

## CHAPTER THREE

### 3.0 METHODOLOGY AND DATA SOURCES

#### 3.1. Introduction

The study intended to achieve the following: gather information to be used as a starting point in building a data base of staff skills in the industry; give an indication on the industry skills status, challenges faced, best practices and lead to taking corrective action (if any) and assist IRA to better assess conformity /compliance to the regulatory requirements; and, contribute to the existing body of knowledge in the industry and form a basis for further research. This section presents the approaches used in gathering and compiling the findings.

#### 3.2. Research Design

This was an exploratory research<sup>1</sup> survey to enable conclusions to be made on the level of skills and competencies in the insurance industry. Since not much is known about the skills of staff of insurance companies, the results of this exploratory research may not be very useful for decision-making by themselves, but they can provide significant insight into the situation. Although the results of qualitative research can give some indication as to the "why", "how" and "when" something occurs, it cannot tell us "how often" or "how many".

Through secondary research such, a review of available literature and/or data was carried out. In addition in-depth discussions were held with Human Resources Managers in the selected companies. A brief questionnaire was also administered to the respondents to bring out the issues being addresses in the study.

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<sup>1</sup> "Exploratory research" is a term used to describe research on a subject that has not yet been clearly defined and is principally used to increase a researcher's understanding of a subject. Exploratory research helps to determine whether to proceed with a research idea and how to approach it. It is often flexible and dynamic and can be rooted in pre-existing data or literature. It should draw definitive conclusions only with extreme caution due to its lack of statistical strength, but it can help a researcher begin to determine why and how things happen. Given its fundamental nature, exploratory research often concludes that a perceived problem does or doesn't actually exist.

### 3.3. Population and Sample

For primary data collection, the population of study comprised of all 47 Insurance Companies operating Kenya, out of which a proportionate simple random sample of 16 companies was picked as shown in Table 1.

**Table 1: The Sampling Frame**

Nature of Insurance Business	Number of Insurers	Sample size
General	21	7
Long term	10	3
Composite	16	6
Total	47	16

The CEO/Principal Officer, the Human Resource Manager and/or Key Departmental managers were the main target respondents. At least three (3) IRA compliance managers including the legal officer were interviewed to provide/clarify key requirements for skills requirements for registration and management of the Insurance Companies. These are the officers believed to be in possession of the information required and were considered to be best placed to provide information for all key departments regarding management staff skills and human resource policies. These departments included: - Underwriting, Claims, Customer Service, Marketing, and support Departments Like IT, Accounting, Legal and Corporate Affairs and Personnel.

### 3.4. Data Collection Methods

Both primary and secondary data was collected and used in this research.

#### ***Primary data***

Simple structured open ended questionnaires (appendices I -III) were used to collect data on employee skills from the Human Resource Managers and Departmental Heads and was supplemented by use of in-depth interviews. In-depth interviews are detailed one on one discussions held with key people believed to be knowledgeable about a subject matter. This technique provides an opportunity to obtain freely information regarding feelings and

opinions. Personal Interviews were used to ensure respondents understood the questions asked.

### ***Secondary Data***

Secondary sources of data were explored and supplemented by the in-depth interviews/discussions with selected officers from the Insurance Institute of Kenya (IIK) Secretariat; the Association of Kenya Insurers (AKI) secretariat; and the Insurance training and education Trust (ITET) Secretariat. Other secondary sources of data that were reviewed for more information included the following: - The new Kenyan Constitution; the Insurance Act; *Gazetted* IRA rules and regulations; Kenyan labour laws; filed Returns to IRA by the Insurance Companies; and other relevant regulations/ or international literature on qualifications for staff in such an industry for benchmarking purposes.

### **3.5. Management of Data Collection**

To achieve standardization, one-day training for the field team was undertaken. The objective for this training was to induct the field staff with the study objectives and to familiarize them with the data collection tools. All field procedures were practically demonstrated to ensure that the field staff fully understood what was required of them. The training included role-playing and conducting pre-test of questionnaires and mock interviews. Potential problems and queries were addressed at this stage.

### **3.6. Data Quality Control**

Strict data quality and control procedures were adhered to at all stages of the project implementation. This included among others, review of data collection instruments accuracy and depth of information given, timeliness of data collection, application of the appropriate tools for data analysis, and accuracy in conclusions and recommendations.

### **3.7. Data Analysis**

Content analysis was used to examine the responses obtained. Content analysis is a systematic, objective and quantitative analysis of message characteristics that examines the way the messages have been delivered. It can be used to examine any piece of writing or occurrence of recorded information. Using meaning extraction method, combined with content analysis can provide the major themes occurring within the sample data, based on co-occurrence of high frequency content words. Descriptive statistical measures and Likert scale tools were also used to summarize responses to the issues under research. The analysis was performed using Statistical Package for Social Sciences (SPSS).

## CHAPTER FOUR

### 4.0. RESULTS AND FINDINGS

#### 4.1. Introduction

Recognizing the significance of skilled and competent staff in the management of insurance companies in Kenya, this study sought to among other things document the role and experience of key staff involved in the management of insurance companies, identify any challenges faced in the management insurance companies, profile any additional skills and competencies that may be required in order to provide policy solutions on addressing the human resource challenges identified. The main objective of the study was to assess competency levels among key level staff involved in the management of insurance companies in Kenya: Specifically, the study sought to establish the following: document technical skills and competencies of staff with significant responsibility for management of insurance companies; identify challenges they face; establish the best practice though benchmarking; and recommend means of addressing the identified challenges. This section presents the results of the findings gathered from the target respondents. The survey covered 15 of the targeted 16 insurance firms. Data collection from one of the firms could not be fully realized due to the hostility of the management towards the interviewers.

#### 4.2. General Profile of the Sample Firms

Out of the target 15 sampled companies, 12 companies (representing 80% of the sample) provided profiles of their companies. The responses were received from the heads of human resources division in all with the exception of one company where the responses were received from the chief executive officer.

##### 4.2.1. Nature of Insurance Business

The findings presented in Table 2 indicate that about two thirds of the sampled insurance firms (66.7%) engaged in general insurance business with 16.7% engaging in composite insurance and the rest in life insurance. This shows that the sample largely reflects the distribution of the firms in the entire industry by “nature of business”; where the market is mainly dominated by firms engaged in general insurance business.

**Table 2: Nature of Business**

Attribute	Description	Responses	%
Nature of Insurance Business	Life Insurance	2	16.7
	General Insurance	8	66.7
	Composite Insurance	2	16.7
	<b>Total</b>	<b>12</b>	<b>100.0</b>

#### 4.2.2. Staff Composition

Staff composition was assessed on the basis of whether they are permanent, contractual, or managerial. The findings presented in Table 3 indicate the proportion of each staff category to the total sample workforce. The findings indicate that in a majority of the sampled firms, the permanent employees constitute over 66.1% of the total sampled workforce. It is evident that the proportions of managerial staff are below 25% of the total workforce. The results of Table 3 show that sampled firms are more inclined to permanent terms of employment than to contractual terms.

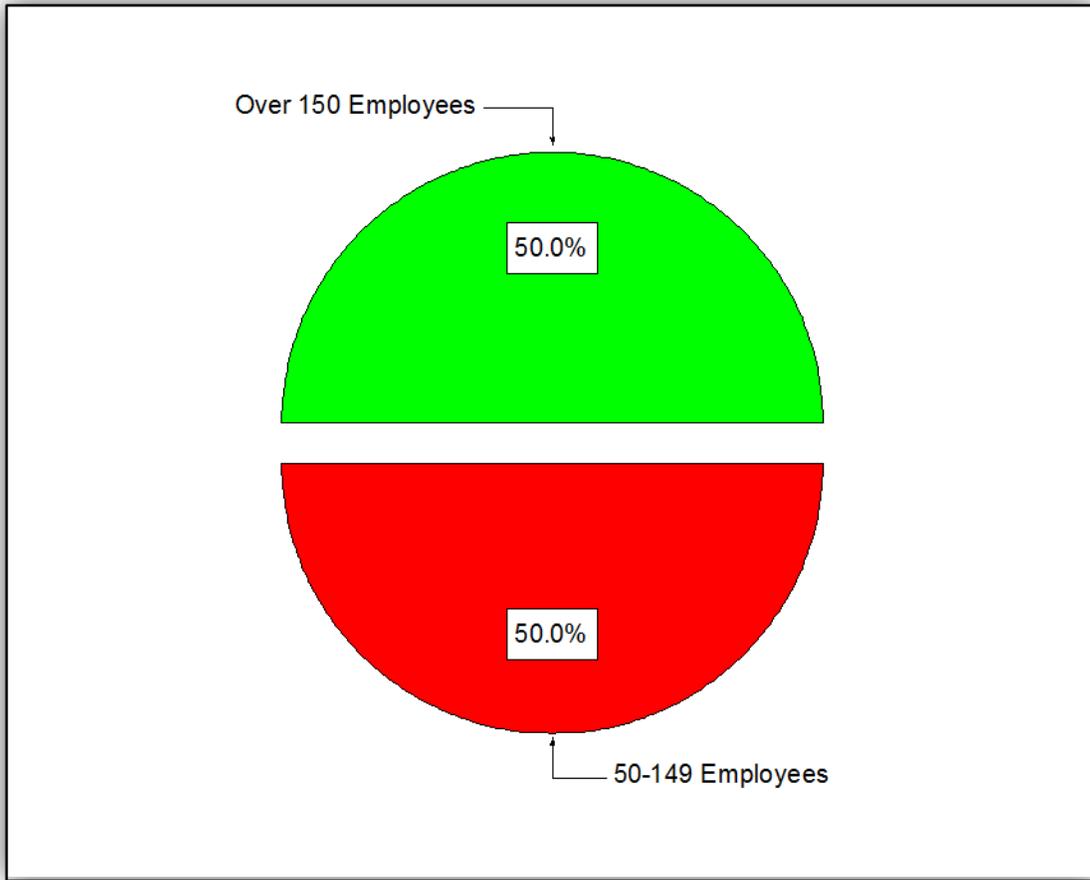
**Table 3: Staff Composition by Terms of Employment**

	Sample total (11 firms)	% of the total
Permanent staff (non-managerial)	1367	66.1%
Contractual staff (non-managerial)	192	9.3%
Permanent Managerial staff	492	23.8%
Contractual managerial staff	16	0.8%
<b>Total</b>	<b>2067</b>	<b>100.0%</b>

#### 4.2.3. Organizational Size

The study assessed organizational size by the number of employees. The three categories included below 50 employees, 50-149 employees, and over 150 employees. The findings presented in Figure 2 indicate that a majority the sample was fairly split equally among the firms with 50 to 149 employees and those with 150 employees or more.

**Figure 2: Organizational size**



#### **4.2.4. Managerial Structure of Sample Firms**

Table 4 presents the findings on the managerial structure and composition across the sampled firms. The facts show that the senior management, the middle level management, and the supervisory management levels comprise 40.6% of the total organizational workforce, with the operational staff taking up 59.4% of the total workforce in the sample firms. The findings imply that a majority of the sampled firms are characterized by traditional hierarchical management structures.

**Table 4: Managerial Structure and Composition among the Sampled Firms**

	<b>Sample total</b>	<b>% of the total</b>	<b>Cumulative %</b>
Senior managers	118	9.3%	9.3%
Middle managers	117	9.2%	18.5%
Supervisors	282	22.2%	40.6%
Operational staff	756	59.4%	100.0%
<b>Total</b>	<b>1273</b>	<b>100.0%</b>	

### **4.3. Technical Skills and Competencies of Staff**

#### **4.3.1. Qualification of Senior Staff – Departmental Heads**

From the data sheet provided to the human resource managers, a wide range of attributes were documented touching on departmental heads, branch managers, the principal officers, and top level administrators across the sampled firms. Some of the attributes captured included the position held, gender, years of experience in insurance, type of post-secondary education attained, and whether or not they possess relevant professional qualification in insurance practice. The result of Table 5 shows that a majority of the senior staff in the sample firms (89.3%) possess O-level education. Out of the 151 observations, 128 (representing 84.8%) indicated that the senior officers possess a first degree. Without reference to the degree major, the classification was based on five disciplines namely: Pure & physical sciences; Arts – business; Business – management; Business – insurance; and Law – LLB. The findings indicate that a majority of the first degree holders are orientated towards arts, business management, and pure sciences; with a minority possessing insurance and law-related degrees. At the postgraduate level, the findings indicate that a majority of the senior managers who are degree holders (81.8%) are orientated towards a business management discipline. Finally, it is evident that a significant proportion of the senior staff at the sample firms (54.7%) possesses professional qualification relevant to the insurance business. That is, ACII and AIK certification. Cumulatively, a majority of senior staff (73.1%) have up to 20 years of experience in the insurance industry.

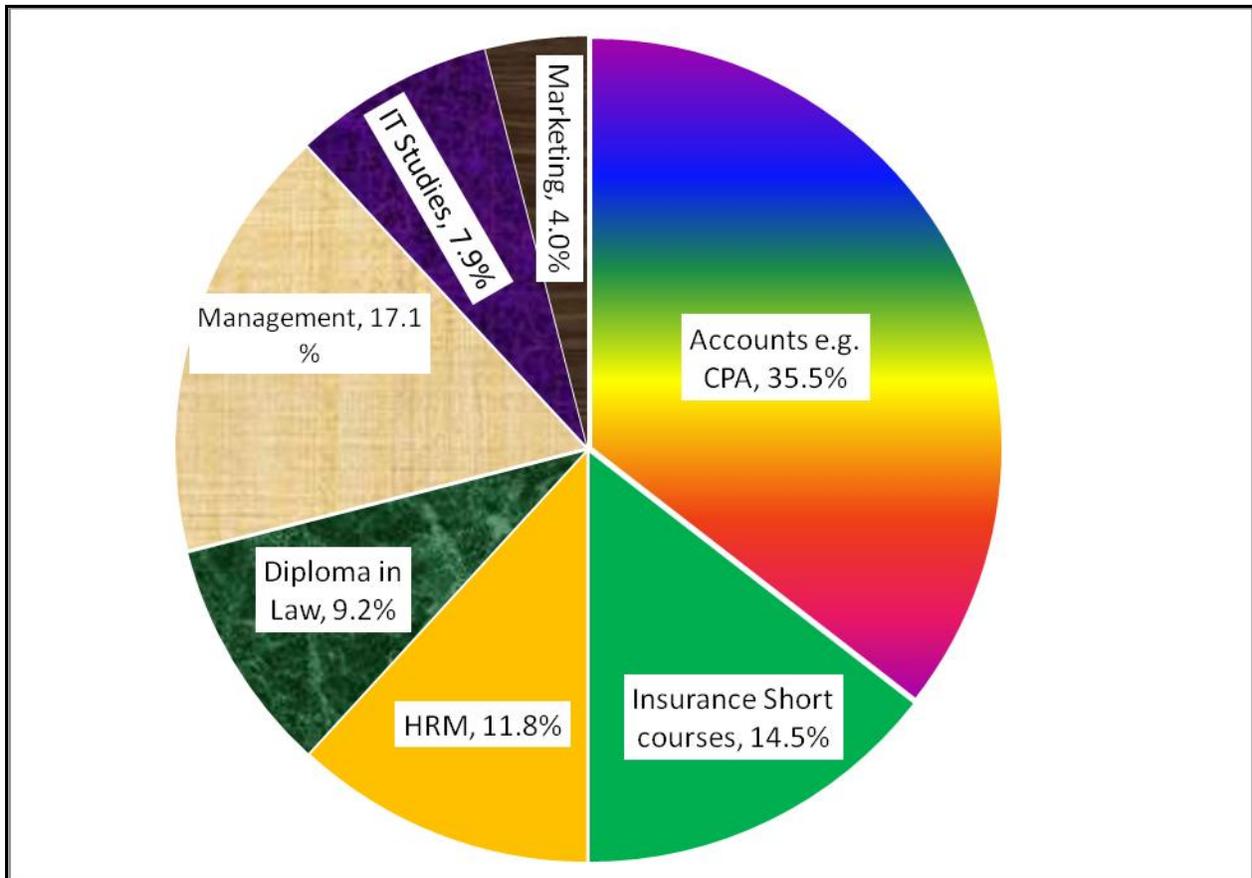
**Table 5: Qualification Details of Senior Staff from the Sample Firms**

<b>Attribute</b>	<b>Description</b>	<b>Responses</b>	<b>%</b>
Gender	Male	107	70.9
	Female	44	29.1
	<b>Total</b>	<b>151</b>	<b>100.0</b>
<b>Attribute</b>	<b>Description</b>	<b>Responses</b>	<b>%</b>
Possession of O-Levels Education?	No	15	10.7
	Yes	125	89.3
	<b>Total</b>	<b>140</b>	<b>100.0</b>
<b>Attribute</b>	<b>Description</b>	<b>Responses</b>	<b>%</b>
Orientation of the first degree	Pure & Physical Sciences	28	21.9
	Arts - Business	40	31.3
	Business - Management	33	25.8
	Business - Insurance	16	12.5
	Law - LLB	11	8.6
	<b>Total</b>	<b>128</b>	<b>100.0</b>
<b>Attribute</b>	<b>Description</b>	<b>Responses</b>	<b>%</b>
Orientation of the second degree	Business- Management	36	81.8
	Science - Management	3	6.8
	Arts - Management	5	11.4
	<b>Total</b>	<b>44</b>	<b>100.0</b>
<b>Attribute</b>	<b>Description</b>	<b>Responses</b>	<b>%</b>
Possession of professional insurance qualification? (ACII, AIK)	No	58	45.3
	Yes	70	54.7
	<b>Total</b>	<b>128</b>	<b>100.0</b>
<b>Attribute</b>	<b>Description</b>	<b>Responses</b>	<b>%</b>
Years of experience in insurance industry	Up to 5 years	27	18.6
	6-10 years	13	9.0
	11-15 years	34	23.4
	16-20 years	32	22.1
	Over 20 years	39	26.9
	<b>Total</b>	<b>145</b>	<b>100.0</b>

**Source: Human Resource Records**

Figure 3 presents a probe of the other types of professional qualifications (or certifications) held by the senior staff in the sample firms. The findings show that most of the senior staff that do not possess ACII or AIIK certification are certified in the areas of accounts (CPA, CPS); human resource management (HRM); Insurance short courses; Law; Marketing; and information technology (IT) related courses.

**Figure 3: Type of Other Qualifications or Certifications Held**



#### 4.3.2. Distribution of Management Staff Qualifications by Departments

The human resource managers across the sample firms were requested to indicate the distribution of management staff qualifications per departments. The departments were re-grouped into eight broad categories namely: Finance; HR & Administration; Claims & Legal Services; Agency Operations; ICT; Marketing & Underwriting; Out station Branch; and Medical & Life Business. Table 6 presents the distribution of management staff qualifications per department based on the number with first degree, second degree, and

relevant professional qualification relating to the tasks performed in the select department. The findings show that various departments across the sample firms have high representation of managerial staff with first degree as compared to those with the second degree.

**Table 6: Distribution of Management Staff Qualifications per Departments**

Department	Qualification	Sample Sum	Sample Mean (Average staff per department)*
Finance	Number with 1st Degree	81	4
	Number with 2nd Degree	10	1
HR & Administration	Number with 1st Degree	59	2
	Number with 2nd Degree	11	1
Claims & Legal Services	Number with 1st Degree	59	4
	Number with 2nd Degree	3	1
Agency Operations	Number with 1st Degree	61	15
	Number with 2nd Degree	2	1
ICT	Number with 1st Degree	32	4
	Number with 2nd Degree	2	1
Marketing & Underwriting	Number with 1st Degree	116	5
	Number with 2nd Degree	19	1
Out station Branch	Number with 1st Degree	6	2
	Number with 2nd Degree	1	1
Medical & Life Business	Number with 1st Degree	74	6
	Number with 2nd Degree	9	1

\* Rounded to a whole number

Source: Human Resource Records:

Further to Table 6, Table 7 indicates the distribution of other professional qualifications across the departments in the sampled firms. The findings indicate that the proportion of departmental management staff who are degree holders with additional relevant certification is barely about one tenth of the total sample sum, other than in marketing and

underwriting where a significant high figure was notable. This indicates a huge skills gap among departmental heads.

**Table 7: Distribution of Professional Qualifications per Department**

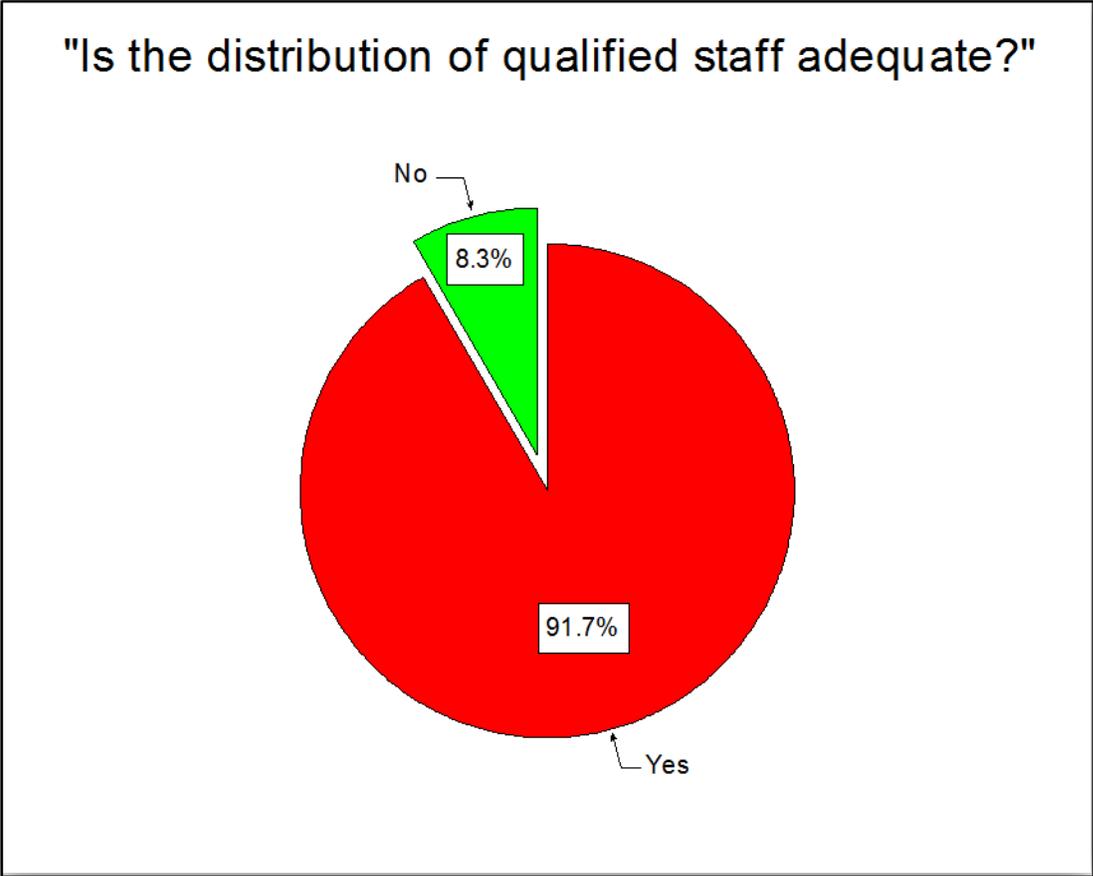
			Number with ...		
Department	Qualification	Sample Sum	ACII	CCI	COP
Finance	Number with 1st & 2 <sup>nd</sup> Degree	91	2	0	3
HR & Administration	Number with 1st & 2 <sup>nd</sup> Degree	70	7	0	0
Claims & Legal Services	Number with 1st & 2 <sup>nd</sup> Degree	62	7	1	5
Agency Operations	Number with 1st & 2 <sup>nd</sup> Degree	63	4	0	0
ICT	Number with 1st & 2 <sup>nd</sup> Degree	34	1	0	1
Marketing & Underwriting	Number with 1st & 2 <sup>nd</sup> Degree	134	21	2	6
Out station Branch	Number with 1st & 2 <sup>nd</sup> Degree	7	3	0	1
Medical & Life Business	Number with 1st & 2 <sup>nd</sup> Degree	83	8	0	3

**Source: Human Resource Records**

#### 4.3.3. Extent of Adequacy of Qualified and Competent Management Staff

Figure 4 presents the split of responses on the views of the HR managers and principal officers sampled on whether or not the distribution of qualified management staff across the departments is adequate. The findings show that a majority of the respondents (91.7%) were satisfied with the adequacy of qualified staff across the departments. The only inadequacy reported was related to the legal and claims where the respondents reported that the managers lack strong underwriting skills (which is expected)

**Figure 4: Extent of Adequacy of Qualified Management Staff (N=12)**



**4.3.4. Extent of Availability of Key Skills and Competencies for Management Staff**

Interviews conducted with members of the management staff (CEO, Heads of Departments and other Management Staff) sought to assess the extent of availability of relevant skills and competencies to aid them in execution of their managerial duties. A five-point Likert scale was used to assess their perceptions. The findings in Table 8 indicate that a majority of the sample respondents were of the view that the skills and competencies are in most cases available (“occasionally” – 41.3%; and “In most cases” – 34.1%). Considering that none of the managers was of the view that the skills and competencies are “not available at all”; it was evident that the managers are well aware of the extent to which they can access relevant skills and competencies to aid in effective execution of their duties.

**Table 8: Extent of Availability of Skills and Competencies for Management Staff**

<b>To what extent are the skills and competencies for managers available in Kenya?</b>		
<b>Availability of Skills? ...</b>	<b>Number of Responses</b>	<b>% of the total</b>
Somehow Not-Available	17	13.5
Available occasionally	52	41.3
Available In most cases	43	34.1
Readily available any time	14	11.1
<b>Total</b>	<b>126</b>	<b>100.0</b>

According to the respondents from AKI and the College of Insurance, technical skills are the ones that are adequately available in the industry. Technical skills are readily available given that most of the employees have ACII or AIIK and management skills are growing e.g. MBA. Those that are not adequately available include: marketing and public relations; human resources skills (in terms of building capacity, motivating employees, remuneration, the working environment is not conducive, career progression is not fair as most of them progress by moving from one company to another); corporate governance (especially training in ethics); and communication skills.

Table 9 presents an analysis of multiple responses regarding the types of leadership and management trainings offered by the sample firms. The findings indicate that all the sample firms conduct on-the-job or in-house trainings for their managers. The main areas of focus for such trainings include customer relations; coaching and mentoring; communication; human resources; and marketing management. Other areas such as time management; stress management; project management; and report writing feature with little significance.

**Table 9: Type of Leadership and Management Trainings Offered**

	<b>Number of Firms offering (Out of 10 sampled)</b>	<b>% of the total</b>
On-the-job / in-house training	10	100.0
Customer relations	7	70.0
Coaching and Mentoring	7	70.0
Communication	6	60.0
Human resources	6	60.0
Marketing management	4	40.0
Time management	3	30.0
Stress management	3	30.0
Project management	2	20.0
Report writing	1	10.0

Table 10 presents findings on the providers for leadership and management trainings to the sampled firms. The findings show that all the sampled firms engage private training providers (consultants) to conduct the management and leadership skills trainings. In addition, they engage the College of Insurance or they use the in-house training department. Only two of the sampled firms reported that they engage colleges and universities in provision of trainings. Other training providers noted include AKI, Africa-Re, and Kenya-Re.

**Table 10: The Training Providers for Leadership & Management Skills**

<b>Training provider? ...</b>	<b>Number of Firms offering (Out of 10 sampled)</b>	<b>% of the total</b>
Private Training Providers - Consultancy	10	100.0
College of Insurance (ITET)	8	80.0
In-house Training Department	7	70.0
Universities	2	20.0
Colleges	2	20.0

#### 4.3.5. Assessment of Training Gaps for Management Staff

Figure 5 presents the split of responses on whether or not the sample insurance firms had conducted assessments for training needs. A majority of the firms (91.7%) had conducted training needs assessment (TNA). Only one of the sampled firms had not conducted a TNA. The reason cited was that the company needed to restructure and create job profiles before identifying training needs considering change of employee roles.

**Figure 5: Extent of Assessment of Training Needs (N=12)**



Table 11 presents an inventory of the key training gaps identified from the TNAs conducted by the sample firms. Other than what is documented in Table 11, the respondents noted the following as the areas that require priority training, in their own assessment: employees to attain a COP in insurance in their relevant fields; important processes in functional areas of underwriting; claims management; accounting and finance; and customer service.

**Table 11: Inventory of Key Training Gaps Identified from the TNAs**

<b>Key Training Gaps Identified from the TNAs</b>
<ul style="list-style-type: none"><li>• Underwriting, Claims Management and Financial management</li><li>• Customer relationship management</li><li>• Administration and supervisory</li><li>• Analytical, reporting and presentation skills</li><li>• Professional qualifications in life and micro insurance</li><li>• Professional qualification in advanced IT studies</li><li>• Leadership and public relations</li><li>• Legal aspects of insurance administration e.g. the Labour laws</li><li>• Insurance products training</li></ul>

#### **4.3.6. Prioritization versus Needs for Skills and Competencies for Management Staff**

Table 12 presents an inventory of the skills/competences that the sample firms prioritize to enable the management staff to effectively undertake their duties and responsibilities; as well as additional skills needed in order to perform their duties and responsibilities effectively. The findings indicate that the skills are in the ranges of administration, leadership, change management (attitude change), and equipping. The findings confirm the need for policy makers to bridge the gap between the skills needed versus what is already prioritized. The findings concur to the responses from AKI and the College of Insurance on the skills and competences required for management staff in insurance companies. They cited the skills to include: management skills; communication skills; marketing and public relations skills; human resource management skills; guidance and counseling skills; and financial management/ analytical skills.

**Table 12: Inventory of Prioritized versus Additional Required Skills**

Priority skills	Additional required skills (or training)
<ul style="list-style-type: none"> <li>• Technical and managerial skills</li> <li>• Leadership/people skills/Teamwork</li> <li>• IT skills for sharing information and understanding of data base management</li> <li>• Marketing competency e.g. products development and presentations</li> <li>• Results-based Management</li> <li>• Strategic planning and Goal setting</li> <li>• Change Management</li> <li>• Financial/ Audit competencies</li> <li>• Legal knowledge/compliance and regulatory framework</li> <li>• Risk management competency</li> <li>• Underwriting &amp; reporting skills</li> <li>• Numerical and analytical skills</li> <li>• Networking skills (for brokers)</li> <li>• Training and coaching skills</li> <li>• Counseling skills</li> <li>• Conflict management skills</li> <li>• Project management</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership, communication and motivational skills</li> <li>• Portfolio management</li> <li>• Fraud detection and tracking skills</li> <li>• E-commerce and social media marketing</li> <li>• Public relations</li> <li>• Actuarial techniques</li> <li>• Corporate governance skills</li> </ul>

Table 13 presents an outline of various training/capacity development programmes /continuous development programmes (CDPs) put in place to enhance skills and professional development for management staff. The findings show that the programmes comprise of a mix of in-house and externally defined programmes.

**Table 13: Programmes in Place to Enhance Skills & Professional Development**

<b>Training/capacity development programmes /continuous development programmes (CDPs) put in place to enhance skills and professional development for management staff</b>
<ul style="list-style-type: none"><li>• Online professional training for both managerial and technical courses</li><li>• Annual programs as the management deems fit e.g. Team building activities</li><li>• Regular short course seminar organized by various stakeholders of the insurance industry i.e. AKI, IRA, College of Insurance and other service providers.</li><li>• Outsourced technical training programs (outside the insurance profession)</li><li>• Seminars organized by a professional training body (such as ICPAK)</li><li>• Continuous legal education organized by the law society of Kenya</li><li>• In-house schedules to improve staff skills</li><li>• Overseas trainings and virtual exposure to different markets e.g. European, South African etc.</li><li>• Executive development and corporate governance program</li><li>• Courses on sectional topics of interest i.e. healthcare management, risk management etc.</li></ul>

#### **4.4. Challenges Faced in Development of Technical Skills and Competencies**

The third objective of the study sought to identify the challenges faced in the development of technical skills and competencies. The challenges are analyzed in three steps. First, the broad challenges faced by the firms on a day-to-day basis are analyzed. Secondly, the analysis dwells on specific challenges facing the development of technical skills and competencies. Finally, remedies to the challenges are proposed.

##### **4.4.1. Challenges Faced in Execution of Daily Tasks**

According to the key informants drawn from the principal officers, human resource managers, and departmental heads of the sampled firms; the industry is currently facing a number of challenges in day-to-day operations. The challenges are summarized in Table 14. The findings indicate that the challenges are mainly in areas of operations, management, and regulatory-based but not in any particular order of priority.

**Table 14: Challenges Faced in Execution of Daily Tasks**

- Unethical market practices and indiscipline e.g. none-adherence to rates filed by the regulator;
- Limited public awareness on insurance and its importance;
- Lack of appropriate technology to drive service delivery and minimize fraud;
- Poor information sharing on past clients' history;
- Low uptake of insurance products which are not statutory in nature;
- Use of unprofessional intermediaries in marketing of insurance products;
- Unstable corporate accounts which affect budget and cash flows;
- Restricted distribution of products due to strict regulation;
- Lack of structured system of compensation by courts for claimants;
- High legal fees as provided under the advocates remuneration order increase overhead cost;
- Fraud cases in the insurance practice that slow the processing of claims;
- Occasional in-house inter-departmental conflicts;
- Budgeting constraints;
- Non-compliance by the insuring public on the requisite details before cover is given;
- Lack of adequate internal experience in risk management;
- Emerging markets which require non-traditional solutions;
- Premium collection: improper accounting systems which require so much manual interventions;
- Over-reliance on third parties i.e. assessors, investigators;
- Getting and equipping appropriate sales people for individual life (tenacity);
- Technological changes (software, distributions, operations) comes with cost implications;
- Meeting shareholders /policy holders expectations; local market inefficiencies – where to invest is a challenge in the few potential investment areas;
- Low productivity – where agents don't meet the set targets;
- Systems challenges/rapid changes and also inadequacy of systems to give intended output;
- Lack of information sharing to help black list agents without integrity;
- Developing new revenue streams/new business;
- Staff turnover;
- Arbitrary supplier cost increases i.e. hospitals;
- Costly training programmes due to high turnover rate;
- Competition from other players in the financial services industry;
- Resistance by employees to take up professional training in insurance;

#### **4.4.2. Challenges Faced in Development of Skills and Competencies**

According to the informants from AKI and the College of Insurance, there are two major challenges facing the development of skills and competencies in the insurance industry. First, is the prevalence of rigid and closed management structure where the employees are not involved in decision making. Secondly, is the issue of funding deficiency. There is hardly any company that allocates adequate resources towards enhancement of staff capacity. Responses from the human resource managers and the principal officers explored the

challenges experienced in skills developments at both the company and the industry levels. The challenges experienced in skills development at the company level are summarized in Table 15. The findings show that the challenges are varied.

**Table 15: Challenges Experienced in Skills Development – Company Level**

- Budgetary limitations;
- Cost challenges especially for statutory trainings;
- Retention of staff after sponsorship due to lack of bonding contract;
- High industry staff turnover;
- Unavailability of adequate skills in the in the market;
- Lack of trainers in certain fields;
- Lack of advanced ICT skills;
- Inability of the staff to do extended work; and
- Graduates of insurance, actuarial and risk take long to start adding value in the organization due to lack of real practical experience in the companies.

In addition, challenges experienced in skills development at the industry level (as reported by human resource managers and the principal officers) are summarized in Table 16.

**Table 16: Challenges Experienced in Skills Development – Industry Level**

- High turnover of staff to other competing industries;
- Head hunting due to competition;
- Limited training providers for technical skills;
- Lack of PSV insurance-related training courses in the college of insurance;
- Lack of insurance exposure among staff; and
- Lack of available/ready skills in the market especially in internal audit and risk management.

#### **4.5. Benchmarking of Findings to the Best Practices Elsewhere**

A desk study was conducted to assess the best practices elsewhere globally. At the global level, a number of practices prevail which the Kenyan insurers and the regulators may consider adopting. For instance, other professional insurance institutes (e.g. in India and South Africa) are chartered members in the Institute of Global Insurance Education (IGIE) Compared to the IIK, who are only affiliated to the CII of UK. IIK should aim to get here for the international exposure and recognition.

In India, much of the training in the insurance industry is done by the firm itself, though a host of professional courses can be taken alongside, compared to Kenya where the trainings are either done in-house by engaging private consultants, or the workers sponsor themselves for specialized training from the available institutions elsewhere. In India also, underwriters' positions are open only to graduates with at least a year of post-graduate study, hence showing a higher requirement for technical skills.

In other countries across Europe and USA, engineering and medical graduates (or diploma holders) work in the industry as surveyors and loss assessors in the general insurance field. Engineers also work in pre-insurance survey, loss assessment, claims settlement, and valuations, a practice that was not identified by the present study in the Kenyan insurance companies. Also, in developed economies, life insurance business is strictly managed by qualified professionals in the actuarial field provided they possess actuarial qualification. They also work in the investment & funds management department as analysts.

The relevance of the actuarial science discipline is of high importance in countries such as India. Graduates of mathematics or statistics are suited for this kind of a job because the work is based on mathematical and statistical modeling skills. The practice is at its infancy in Kenya as fresh graduates of insurance, actuarial science and risk management take long to start adding value in the organization due to lack of real practical experience or relevant post-graduate qualifications. In the coming times it will definitely make one of the highly paid career option in the insurance sector.

#### **4.6 Recommendations of Addressing Identified Challenges**

To enhance the development of skills and competencies in the industry, as well as mitigate the underlying challenges undermining the same, the following recommendations were proposed by the respondents, in no particular order of priority (see Table 17).

**Table 17: Recommendations to Mitigate Challenges Faced in Skills Development**

- Creation of in-house sponsorship schemes and provision of bursaries at the College of Insurance;
- Monitoring of management staff to ensure relevant competencies;
- Creation of an industry benchmark of employee salary schemes to stop employees from moving from one company to another;
- Formulation of a requirement by IRA for an employee development policy in each insurer;
- Stiff penalties for non-ethical behaviour;
- Public education on insurance and its importance to enhance uptake of insurance products;
- Acquisition and installation of the appropriate technology infrastructure;
- IRA needs to intensify supervision and impose staff penalties for breaches;
- Close monitoring of intermediary practices by the regulator;
- Introduce minimum training hours per year for each intermediary and tie it to renewal of licenses, given other professional have done it successfully (like LSK);
- Regular meetings between departments to create synergy;
- Effective regulation on pricing so that companies compete on service delivery;
- Formation of a bigger fraud unit to deal with the fraud cartels in the industry;
- Enhancement of business systems and involvement of the staff in implementing new systems;
- Amend insurance act to accommodate alternative distribution channels, say by affirming groups, churches, supermarkets, *chamas* not just from registered brokers/agencies;
- Proper disclosure of information at point of entry;
- Proper staff remuneration to enhance their ability to pay for their studies privately;
- Outsourcing for specific skills (Tax returns/planning) – hence adding value to certain areas;
- Creation of a shared claims information (electronic register) at industry level; and
- Wider industry publicity to demystify insurance

## CHAPTER FIVE

### 5.0. CONCLUSIONS AND RECOMMENDATIONS

#### 5.1. Introduction

This section presents a summary of the findings, conclusions and recommendations.

#### 5.2. Summary, Conclusions and Recommendations

The main objective of the study was to assess competency levels among key level staff involved in the management of insurance companies in Kenya: Specifically, the study sought to establish the following: document technical skills and competencies of staff with significant responsibility for management of insurance companies; identify challenges they face; establish the best practice through benchmarking; and recommend means of addressing the identified challenges.

First, the findings revealed that a majority of the senior staff in the sample firms (89.3%) possess O-level education, with 84.8% being in possession of a first degree. A majority of the first degree holders are orientated towards arts, business management, and pure sciences; with a minority possessing insurance and law-related degrees. At the postgraduate level, the findings indicate that a majority of the senior managers who are degree holders (81.8%) are orientated towards a business management discipline. A significant proportion of the senior staff at the sample firms (54.7%) possesses professional qualification relevant to the insurance business, that is, ACII and AIIK certification. A majority of senior staff (73.1%) have up to 20 years of experience in the insurance industry. The findings showed that most of the senior staff that do not possess insurance-related certification are certified in the areas of accounts (CPA, CPS); human resource management (HRM); Insurance short courses; Law; Marketing; and Information Technology (IT) related courses. It also emerged that various departments across the sample firms have high representation of managerial staff with first degree as compared to those with the second degree. The number of department heads who are degree holders with additional relevant certification is barely one tenth of the sample total or below, other

than in marketing and underwriting where a higher figure was notable. A majority of the respondents (91.7%) were satisfied with the adequacy of qualified staff across the departments. The only inadequacy reported was related to the legal and claims where the respondents reported that the managers lack strong underwriting skills. This points to a need to train these staff in underwriting skills as they are necessary in the effective performance of their work.

The findings indicated that the managers are well aware of the extent to which they can access relevant skills and competencies to aid in effective execution of their duties. Deficiencies in skills and competencies were identified in the areas of marketing and public relations; human resources skills (in terms of building capacity, motivating employees, remuneration, corporate governance (especially training in ethics), and communication skills. All the sample firms conduct on-the-job in-house trainings for their managers. The main areas of focus for such trainings include customer relations; coaching and mentoring; communication; human resources; and marketing management. Other areas such as time management; stress management; project management; and report writing feature with little significance. The trainings are mainly conducted by private consultants, with very little consideration to institutional providers such as the College of Insurance, universities and tertiary colleges. The analysis showed various gaps identified after the firms conducted training needs assessments. It would therefore be useful to consider use of institutional trainers for better exposure and take advantage of existing opportunities of training in local universities.

Secondly, a number of challenges were identified that hinder the development of skills and competencies at both the company and industry levels. According to the sampled informants from the industry lobby association (AKI) and the College of Insurance, there are two major challenges facing the development of skills and competencies in the insurance industry specifically; the prevalence of rigid and closed management structure where the employees are not involved in decision making; and the issue of funding deficiency. There is hardly any company that allocates adequate resources towards enhancement of staff capacity. At the company level, the main challenges to skills development are resource-based, morale-based, and competency-based. The respondents

cited issues of budgetary limitations; cost challenges especially for statutory trainings; unavailability of adequate skills in the market; and lack of trainers in certain fields. In regards to staff morale, it emerged that the firms have no mechanisms for retention of staff after sponsorship due to lack of bonding contracts, which leads to high industry staff turnover. Incompetence is evidenced by lack of advanced ICT skills; inability of the staff to do extended work; and graduates of insurance, actuarial science and risk management take long to start adding value in the organization due to lack of real practical experience in the companies. The main challenge at the industry level is lack of qualified trainers especially in the technical areas. It is recommended that overseas trainers be considered as well as short courses abroad for these technical areas with no local experts.

At the global level, a number of practices prevail which the Kenyan insurers and the regulator may consider adopting. For instance, other professional insurance institutes (e.g. in India and South Africa) are chartered members in the Institute of Global Insurance Education (IGIE) Compared to the IIK, who are only affiliated to the CII of UK. IIK should aim to get here for the international exposure and recognition.

In India, much of the training in the insurance industry is done by the firm itself, though a host of professional courses can be taken alongside. In India also, underwriters' positions are open only to graduates with at least a year of post-graduate study. On the contrary, in Kenya the trainings are either done in-house by engaging private consultants, or the workers sponsor themselves for specialized training from the available institutions elsewhere, while according to the findings, the practice in Kenya, is that majority of underwriters possess only a first degree. In other countries across Europe and USA, engineering and medical graduates (or diploma holders) work in the industry as surveyors and loss assessors, in the general insurance field. Engineers also work in pre-insurance survey, loss assessment, claims settlement, and valuations. The present study did not identify such practices in the Kenyan insurance companies and it is desirable that this trend be embraced in future in the Kenyan market.

It was also noted that in developed economies, life insurance business is strictly managed by qualified professionals in the actuarial field provided they possess actuarial

qualification. The situation in Kenya is that fresh graduates of insurance, mathematics, actuarial science and risk management take long to start adding value in the organization due to lack of real practical experience or relevant post-graduate qualifications. It is therefore desirable that such trainees be exposed to real practical work experience while in college and on the job-training or relevant post-graduate qualifications. The area is not so developed for the plausible reason that there are no regular and standard institutions offering the class-room courses for these examinations, coupled with real practical experiences. In the coming times it will definitely make one of the highly paid career option in the insurance sector

Also, based on the benchmark analysis of the best practices elsewhere, it is important that the job descriptions for managerial staff be aligned to their professional qualifications, level of skills, and competencies. For instance, medical professionals should be integrated in the underwriting and claims departments. For doctors, opportunities exist in underwriting, claims verification and certification, Medico-legal departments, and many more. Life insurance proposals also require premedical inspection before acceptance of policy proposal.

Finally, to enhance the development of skills and competencies in the industry, as well as mitigate the underlying challenges undermining the same, various recommendations are suggested including but not limited to the following: - training, sponsorship and bursary programmes for staff; creation of an industry benchmark for salary scheme to stem employee turnover within the industry; public education on insurance and its importance to enhance uptake of insurance products; intensify supervision and stiff penalties by IRA for breaches; formulation of a requirement by IRA for employee development policy by each insurer, and effective regulation on pricing so that companies compete on service delivery.

## APPENDICES

### APPENDIX I: QUESTIONNAIRE FOR MANAGEMENT STAFF



#### HUMAN RESOURCE SKILLS AND COMPETENCIES AMONG INSURANCE COMPANIES IN KENYA

#### QUESTIONNAIRE FOR MANAGEMENT STAFF: CEO, Heads of Departments and other Management Staff

Code

#### INTRODUCTION:

The Insurance Regulatory Authority is undertaking a research study to assess the level of skills and competencies of key staff involved in the management of the insurance companies in Kenya. The prime objective of the study is to take stock of the available skills and competencies, human resource needs and challenges in the industry which would guide in the development of the insurance curriculum by the training institutions and inform IRA in the development of the human capital in the insurance industry. This exercise is not a compliance audit but a quest to improve manpower potentials in service delivery and efficiency. Thank you in advance for your cooperation as utmost secrecy and confidentiality is hereby assured and the information will be used for research purposes only.

#### Key Characteristics of the Job: -

- 1) Department \_\_\_\_\_
- 2) Gender - \_\_\_\_\_



7) Describe your role / key responsibilities in current position.

8) What skills/competences does your company prioritize to enable you perform effectively the duties and responsibilities of your position?

9) What additional skills do you think are needed In order to perform the duties and responsibilities of this position effectively?

10) On a scale of 1 to 5 where 1=Not available at all, 2= Somehow Not-Available, 3= Available occasionally, 4= Available in most cases, 5= Readily available any time, to what extent are the skills and competencies for the position available in Kenya?

Not available at all	Somehow Not-Available	Available occasionally	Available In most cases	Readily available any time

11) What training/capacity development programmes /continuous development programmes (CDPs) are in place to enhance your skills and professional development?

12) What main challenges do you face /encounter in execution of your duties?

13) What would you suggest as the possible solutions to the challenges described in question 12?

14) **Is there any other information or recommendations you would like to share with regard to skills development in your company or industry?**

Company

Industry

**THANK YOU**

**Time-Out**

## APPENDIX II: STAFF QUALIFICATION TEMPLATE



### Qualification of Senior Staff:

**a) Kindly fill in the details of Senior staff i.e. Heads of Departments starting with CEO**

No	Position Held	Gender (F/M)	Experience in Insurance (Years)	O- Level	Type of 1 <sup>st</sup> Degree	Type of 2 <sup>nd</sup> Degree	Dip. (ACII; AIK)	Other
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								

**Distribution of management Staff per Department**

	Department	No. of Staff	O-Level	1 <sup>st</sup> Degree	2 <sup>nd</sup> Degree	Dep. ACII/AIK	CCI	COP	Other (state)
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
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## APPENDIX III: QUESTIONNAIRE FOR HR /PRINCIPAL OFFICERS



### HUMAN RESOURCE SKILLS AND COMPETENCIES AMONG INSURANCE COMPANIES IN KENYA

#### QUESTIONNAIRE FOR HR/ PRINCIPAL OFFICERS

Code

#### INTRODUCTION:

The Insurance Regulatory Authority is undertaking a research study to assess the level of skills and competencies of key staff involved in the management of the insurance companies in Kenya. The prime objective of the study is to take stock of the available skills and competencies, human resource needs and challenges in the industry which would guide in the development of the insurance curriculum by the training institutions and inform IRA in the development of the human capital in the insurance industry. This exercise is not a compliance audit but a quest to improve manpower potentials in service delivery and efficiency. Thank you in advance for your cooperation as utmost secrecy and confidentiality is hereby assured and the information will be used for research purposes only.

#### 1) About the Company

Name of Company.....

Position of Respondent.....

#### 2): Nature of business

Life insurance company	
General insurance company	
Composite	

**3): Staff Composition**

Total Number of permanent staff.....

Staff on contract.....

Number of Management Staff.....

Management staff on contract.....

Tied Agents .....

**4): What is the size of your organization? (Please tick ONLY one option)**

(0 – 49 employees)	
(50 – 149 employees)	
(150 and more employees)	

**5): What is the distribution of staff per level (Please indicate actual numbers.)**

<b>senior managers</b>	
<b>middle managers</b>	
<b>supervisors ( junior management)</b>	
<b>operational staff</b>	

**6): Qualification of Senior Staff :**

a) Kindly fill in the details of Senior staff i.e. Heads of Departments starting with CEO

No	Staff	Position Held	Gender	Experience (Years)	O-Level	Type of 1 <sup>st</sup> Degree	Type of 2 <sup>nd</sup> Degree	Dip. (ACII; AIIK)	Other

(b) Distribution of Senior Staff per Department

Department	O-Level	1 <sup>st</sup> Degree	2 <sup>nd</sup> Degree	Dep. CII	Dip. COP	Other(state)

**(c) Are these distributions of qualified staff adequate? (Yes) (No)**

If the answer is (No) indicate the deficiencies in each department

Department	Deficiencies

**7): a) Has your company carried out any Training Needs Assessment?**

**(Yes)**

**(No)**

**b) If the answer is YES, state the key training gaps that were identified by the report?**

**c) If No,**

**i) What are the reasons for not carrying out the training assessment?**

**ii) In your own assessment, state any areas that require training**

**8): What leadership and management training is currently offered by your organization/institution? (You may tick more than one option)**

On the job training / in-house training	
Customer relations	
Coaching and mentoring	
Communication	
Time management	
Stress management	
Report writing	
Project management	
Human Resources	
Marketing Management	
None (please select this option only if no training is provided)	

**9): Who are your training providers?**

College of insurance (ITET)	
Universities	
Colleges	
Private training providers/ consultancy	
In house training department	
Other (please specify)	

**10) Identify the main challenges in terms of skills development in your organization and industry in general.**

**Company**

**Industry**

**11) Any other information or recommendations you would like to share with regard to skills development in your**

**Company**

**Industry as a whole**

## APPENDIX IV: QUESTIONNAIRE FOR COLLEGE OF INSURANCE/ AKI



### HUMAN RESOURCE SKILLS AND COMPETENCIES AMONG INSURANCE COMPANIES IN KENYA

#### QUESTIONNAIRE: FOR AKI AND COLLEGE OF INSURANCE

Code  Time

#### INTRODUCTION:

The Insurance Regulatory Authority is undertaking a research study to assess the level of skills and competencies of key staff involved in the management of insurance companies in Kenya. This exercise is not a compliance audit but a quest to identify areas of focus by the Authority in developing the human resources in the insurance industry. Please note that the information that you shall provide will be treated with utmost confidentiality and will be used for research only. Thank you in advance for your cooperation

Position of Respondent .....

#### QUESTIONS

1. What skills and competences are required for management staff in insurance companies in Kenya?

2. Of the above which of the competencies and skills are **adequately** available in the insurance industry in Kenya? Which skills **are not adequately** available?
  
3. Who are the key providers of skills and competencies of management staff of insurance companies?
  
4. Who else should be involved in the provision of these skills and competences?
  
5. What challenges exist in development of competencies and skills in the insurance companies in Kenya?
  
6. What should be done to address these challenges?

**Time-Out** \_\_\_\_\_

**THANK YOU**