

# Re-News

The Official Magazine of Kenya Reinsurance Corporation Ltd.



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## *Kenya Re chair receives global leadership award*



Inside

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to watch in 2014

# We have started the year on a roll



It is hard to believe that we have just concluded the first quarter of 2014. A few months ago we were talking about what we will be doing in the upcoming 12 months of the year. Four months have gone by, the clock is ticking. We have less than eight months to go.

There are a lot of exciting things happening. In Kenya, the current government just marked one year in office and their success story is Devolution. The 47 Counties are taking shape and it is very exciting to see companies setting up operations in the counties. In Africa, the news on everybody's lips is how Nigeria has passed South Africa as the continent's largest economy. This is after the economy registered a 7.41 percent GDP growth in 2013, a growth attributed to e-commerce, music, services, mobile phones and the film industry.

In our second issue of Re News in 2014, we have highlighted what to expect

this year. Kenya Re recently acquired an Enterprise Resource Planning system to enable us streamline and smoothen our operations as part of our agenda to make customer engagement seamless. Already a team has been formed to spearhead the project and ensure a smooth transition. We are also excited about our Africa business expansion.

In 2010, we opened up an office in Ivory Coast and we are now eyeing the Southern Africa market. What is driving our strategy? Our business plan that is built on six strategic pillars - financial performance, business development, risk management, business process improvement, people performance and customer centricity. These pillars are what inform all our operations and guide investment decisions.

Most exciting for us in 2014 will be additional funding to the Niko Fiti-Ability beyond Disability campaign. The Corporation will be spending an additional KSh 29 million in 2014 up from KSh 21 million spent in 2013. We have redesigned the programme so as to reach more people living with disabilities especially in the rural parts of Kenya. The programme will include monitoring and follow up plus a new component that will involve identifying beneficiaries from learning institutions in the 47 counties.

We have already started working on these plans and we are very optimistic that 2014 will be another fantastic year for us, our stakeholders and the country. If you are still wondering what the year will look like, we have an article by James Njuguna on the 5 insurance trends to watch in 2014. Don't say we did not tell you!

*Nancy Imunde*  
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# Kenya Re's strategy for growth

In 2013, Kenya Re announced plans to expand operations in the new and untapped markets in Southern Africa. Our operations in Ivory Coast are picking up well and we have already recruited additional staff to ensure the business is well supported. Moving to a neighbouring country or an emerging market on the other side of the continent, the decision to expand beyond one's core markets is never easy.

According to a EuroMonitor International Report titled: *Reaching the emerging middle classes beyond BRIC*, every potential gain in revenue or market share has a corresponding risk of failed product launches or underestimation of the competition. For companies looking for rapid, sustainable growth, even the decision of where to expand has become more complicated.

Before you think of growth, an organisation must have a solid foundation that is flexible enough to adjust to the needs of the environment.

The Kenya Re corporate business plan was built on five strategic pillars - financial performance, business development, risk management, business process improvement and people performance. We recently reviewed these pillars and added a sixth pillar - customer centricity.

In 2014, we will be seeking to enhance our financial strength by enhancing our customer service and continually engaging our clients. We also realize that to enhance our operations and serve our clients more effectively, we must embrace technology. We are currently in the process of implementing the Enterprise Resource Planning system and once complete, it will enhance service delivery as well as augment risk management and corporate governance.

## Ready for Africa

The Euro Monitor report argues that the world's interest in emerging markets is mainly driven by impressive economic performance and population. Businesses are no longer looking at Kenya but East



Africa with a population of over 100 million. At Kenya Re we are looking at opportunities in the reinsurance sector driven by economic growth and population. We are not only looking at South Africa, but southern Africa as a market.

*"Africa has almost 200 million people aged between 15 and 24. We are a continent with the youngest population in the world, expected to double by 2045."*

Africa has almost 200 million people aged between 15 and 24. We are a continent with the youngest population in the world, expected to double by 2045.

This offers an unrivalled opportunity for economic and social development if the talents of this swiftly increasing reservoir of human capital are harnessed and channelled towards the productive sectors of the economy in Africa. That will definitely fuel the economies of countries.

Indeed, this favourable demographic situation in many emerging markets like Africa is a key to their future potential. This is because countries with ageing demographic profiles and slow population growth are often the ones experiencing sluggish economic growth. Conversely, those with young, fast-growing populations have greater potential for strong economic growth. Potential is the key word, however, many other factors can prevent these countries from capitalizing on their latent growth prospects. At Kenya Re we are looking at the big picture!

*"In 2014, Kenya Re will diversify the structure of the campaign by adding a new four phased approach that will also cover areas that did not benefit in 2013."*



*A beneficiary in Karatina smiles with glee on receiving her special seat during the first caravan that toured Mount Kenya and Upper Eastern.*

*By: Nancy Imunde*

After the successful launch and implementation of the Niko Fiti- Ability beyond Disability campaign roadshow in 2013, Kenya Re is now planning to spend an additional KSh 29 million in 2014. The Corporation has now increased the figure from KSh 21 million that was spent in 2013. So far, the campaign has directly assisted over 500 persons living with physical disabilities in Kenya.

The objective of the Corporate Social Responsibility (CSR) programme is to provide assistive devices to persons with disabilities in order to improve their quality of life and allow them to engage in daily nation building activities. In 2014, Kenya Re will diversify the structure of the campaign by adding a new four phased approach that will also cover areas that did not benefit in 2013. The campaign theme for 2014 is titled 'Niko Fiti- Ability beyond Disability Journey'.

### Talent development

A new aspect of the campaign includes talent development whereby Kenya Re will support sportsmen and women paraplegics during an annual event known as the *Hope On Wheels* national competition. The campaign will give participants in the counties assistive devices and logistical support. Sports fits in with what the campaign stands for - Ability beyond disability. The Corporation has seen an opportunity to diversify the look of the campaign as well as showcase persons with disability as being capable of what able people can do.

Another addition to the campaign is the deliberate focus on learning institutions where beneficiaries will be identified

from nursery, primary and secondary schools, and higher institutions like universities and colleges.

To build on the work done in 2013, the Niko Fiti team will enhance relations with past beneficiaries through review visits and constant monitoring. Specifically, the Niko Fiti team will return to Mt. Kenya, Embu and Busia which were identified as areas with the highest need for assistive devices.

During the 2013 roadshows, one thing that stood out was the deplorable living conditions that disabled people have to contend with. They also face challenges in accessing health, education, suitable housing and employment opportunities, more so in rural areas. "Never lose hope, there is something important which will happen one day," says Bernard Duor Gero, a brother to a beneficiary from Kisumu who is paralysed and has meningitis.

The climax of the 'Niko Fiti - Ability beyond Disability Journey' will be the 'Hope on the Wheels' fun day which will involve a walk and other fun sporting activities tailored for persons with disability. It is expected to bring together persons with disability from all parts of Kenya and serve as an opportunity for able persons to walk in the shoes of persons with disabilities and interact with them. This event will be open to the public. Kenya Re has received KSh 1.3 million worth of donations from Kenyans and corporates that will be used for the activities scheduled in 2014. This will grow the total amount for the Niko Fiti- Ability beyond Disability campaign to over 30 million.

# 5 insurance trends to watch in 2014

**W**hat does 2014 hold for the insurance industry? JAMES NJUGUNA of College of Insurance looks at the crystal ball

## 1. Social media

Don't think social media is over rated yet. Social media platforms are being used for marketing and customer engagement. With the growth of smart phones, iOS, Windows and android devices, more people are now able to access the internet. If you are a sales agent, you can also reach your clients through WhatsApp and keep them updated about the latest products. The catch with platforms like Facebook, Twitter and Google+ is the content that is shared, keep it short, interesting and relevant. Don't blow your trumpet too loudly instead use social media as a platform for people to come to you for solutions.

## 2. Economic growth

Life insurers and annuity underwriters will be happy this year if the projected economic growth, declining unemployment and the possibility of an increase in interest rates is anything to go by. Many insurance firms are realising to sustain growth over the long term,



fundamental changes in their business models are necessary. Therefore, life and annuity carriers are expected to break out of their historical operating moulds over the next couple of years.

The goal will be to make more efficient use of capital as well as expand the overall market pie by reaching out to underserved consumer segments in innovative ways. Property and casualty underwriters as well as writers of life and annuity products face obstacles that may be outside of their control in the coming year, but that doesn't mean they don't have the ability to shape their own destinies.

## 3. Mobile technology

This will play an increasingly important part in marketing, sales, and service

across the industry. Tech enhancements could propel telematics to the level of an industry disruptor. Cyber security will loom ever larger as an operational and reputational risk.

## 4. Clients and products

The expansion of direct-to-consumer sales of small-commercial insurance could disrupt agency and draw currently uninsured businesses into the market. Companies should target Gen X and middle-market consumers with simplified products made available through a wide variety of distribution channels.

## 5. Regulator's role

The Insurance Regulatory Authority has taken up an insurance awareness programme in conjunction with the College of Insurance that involves training qualified members of public in all the 47 counties in Kenya. This will ensure penetration of insurance education in the rural areas translating to more people taking up insurance products in the country.

*JAMES NJUGUNA is a student at the College of Insurance*

# Kenya Re starts ERP journey

**H**ow long does it take a customer to do business with your organisation? This is a question many global organisations are asking themselves, and they are doing something about it. In a rapidly changing business environment, organisations are leveraging on technology not only to make their business processes efficient, but also to integrate all aspects of the business.

Kenya Re recently acquired an Enterprise Resource Planning (ERP) system to enable the Corporation streamline and smoothen its operations as part of its 2014 agenda to make customer engagement seamless. Already a team has been formed to spearhead the project and ensure a smooth transition. An ERP system is a business management software with integrated applications that a company can use to store and manage data from every stage of business from product planning, cost and development, marketing and sales, inventory management, customer databases and payment.





# Business beyond borders: West Africa office takes off



*An aerial view of Abidjan*

*By: Lucy Kagwiria*

**C**ote d'Ivoire is attractive to foreigners for many reasons including being the largest economy in West Africa. Best known as the world's leading cocoa exporter, it is the fourth largest exporter of goods in sub-Saharan Africa after South Africa, Nigeria, and Angola.

Oil has become one of Cote d'Ivoire's leading exports. The development of new gold mines in recent years in the central and northern areas of the country has also contributed to national economic growth. Abidjan, the country's economic capital is also home to the second largest port on the continent, as well as, a modern international airport with a wide network of air-routes connecting Europe, Africa, and the Middle East.

## Insurance market

West Africa is now attracting many reinsurance companies. This is because Abidjan has positioned itself as the hub of West Africa and companies targeting West Africa tend to set up base in the

country. Towards supporting investment in the country, the Ivorian government actively encourages foreign investment through mergers, acquisitions, joint ventures, takeovers or startups.

There are 18 non-life and 11 life insurance companies in Abidjan. Abidjan is leading in the CIMA region in terms of written premiums, closely followed by Cameroun, Gabon, Senegal, Congo Brazzaville and Burkina Faso.

Before 2010, only Africa Re and Aveni Re had setup offices in Abidjan. By end of 2013, five other companies had opened shop - Kenya Re, Cica Re, Tunis Re, Continental Re and NCA Re. Two more new entrants Zep Re and SCR Morocco are expected to start business this year. Competition is expected to be stiff with the nine players eyeing a piece of the West, North and Central Africa market.

## Doing business

The Kenya Re West Africa office started operations in October 2010 and was

officially launched in March 2012. The office caters for West, North and Central Africa and has allowed the Corporation to penetrate most of the countries in the region. The main objective is to make Kenya Re the reinsurer of choice in West, North and Central Africa.

In four years, the office has grown year on year. More companies are now willing to include Kenya Re in their reinsurance programme and the Corporation is now in the treaty programmes of giant companies like Groupe Colina (with 20 subsidiaries), Groupe Sunu (with 11 subsidiaries), Axa (with four subsidiaries) and Allianz (with 12 subsidiaries).

A recent visit to France by the senior management of Kenya Re saw the company sign a business deal with Allianz Insurance Company of France, a leading insurance firm in Europe. There are plans for Allianz Insurance to open offices in Kenya.

## Activities

As part of penetrating the market, since 2012 the West Africa office has been active in organizing Reinsurance technical training for French speaking existing and potential clients. So far, the office has facilitated five technical seminars in different French speaking countries. In 2014, two seminars will be held in Abidjan and Cameroon.

Later this year, the Kenya Re Abidjan office will move from Plateau, (Abidjan's central business district) to a less congested area known as Cocody. Office redesigning process has commenced and the relocation is scheduled to take place in June 2014.

## West Africa Staff



**Mr. Arthur Levy**  
Régional Manager



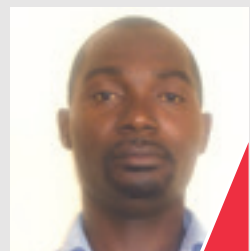
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# Kenya Re chair receives global leadership award

Mrs. Nelius Kariuki, Chairman of the Kenya Reinsurance Corporation has been awarded the "Outstanding Woman Leadership Award" during the World Women Leadership Congress and Award (WWCLA) that was held on the 14th-15th of February, 2014 in Mumbai, India.

The Award is conferred to "outstanding women professionals who have the vision, flair, acumen and professionalism to demonstrate excellent leadership and management skills in an organization, making changes and achieving results."

The objective of the WWLCA is to identify and celebrate the outstanding leadership and achievements demonstrated by women leaders who are reflected by their distinct innovations and initiatives brought in by them in various private and public sectors.

It seeks to honor the strategic and influential role of various leaders in the development of the modern economy, technology and administrative methodologies that promotes the advancement of the government and business organization according to the standards of global competitiveness.

Mrs. Kariuki served as a board member for the Corporation until 2007 when she was appointed Chair of the Board of Directors. Six months into her appointment, she successfully led the Corporation through its first Initial Public Offering and went down history



Kenya Re Chairman Mrs. Nelius Kariuki receives a Leadership Award at the recent Outstanding Women Leadership Award and World Leadership Congress held at TAJ Lands End in Mumbai, India on 14th February 2014.

*Six months into her appointment, she successfully led the Corporation through its first Initial Public Offering and went down history as the first woman to ring the bell at the Nairobi Securities Exchange.*

as the first woman to ring the bell at the Nairobi Securities Exchange.

It is also under her guidance that the Corporation has retained its financial strength rating of B+ from AM Best Company and has received claims paying ability rating of AA from the Global Credit Rating Agency. Kenya Re has also maintained the ISO 9001:2008 standard due to her never-ending commitment towards quality service delivery to all its clients.

## Kenya Re at FANAF meeting

Insurance being a relations and networking business, Kenya Re endeavors to attend major insurance and reinsurance forums. In February, Kenya Re staff attended the general assembly of the FANAF (Federation des sociétés d'assurance de Droit National Africaines) meeting that was held in Ouagadougou-Burkina Faso, from 17 - 20th of February 2014.

More than 650 participants were at the meeting. Kenya Re was represented by Mr. Arthur Levry, Manager West

Africa office and Jane Odipo, Marketing Manager. During the meeting, Mr. Adama N'diaye, former Deputy General Manager of Aveni Re was elected as the new chairman of the confederation for the coming three years. He replaced Mr. Protais Anyangma, Managing Director, Colina Cameroon. The next FANAF meeting will take place in Madagascar in 2015.



1. Nice to meet you: CIC General insurance MD Mr. Kenneth Kimani (l) greets Kenya Re MD Mr. Jadhav Mwarania (r) during the investor briefing. Looking on is Kenya Re's director, Mr Ali Haji (c). 2. A section of Kenya Re board members and guests follow the proceedings at the investors breakfast meeting. 3. Mr Linus Kowiti (left) presents a cheque of Ksh 50,000 in favor of Rotary Club of Milimani that Kenya Re had sponsored during a Charity Golf Day held on 4th April 2014. 4. Kenya Re staff are taken through the ERP Training.





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**5.** Staff members led by Mr. Jadhav Mwarania follow instructions during the family fun held on 14th December at the Parklands Sports Club. **6.** Kenya Re Chairman, Mrs. Nelius Kariuki (c), MD Mr. Jadhav Mwarania (r) and Mr. Alois Chami (l), an investor, are in a jovial mood after release of the full year financial accounts held at the Hilton hotel on April 29th 2014. **7.** Kenya Re MD Mr. Jadhav Mwarania addresses invited guests and beneficiaries just before the distribution of assistive devices at the Tononoka Grounds in Mombasa on 19th December 2013. **8.** Kenya Re staff enjoying themselves during the Christmas party held at the Carnivore Restaurant on 11th December 2013.

# How to make your next presentation unforgettable



**P**resentation plays a vital role in representing an individual or company's core values, innovations and efficiency. Every business and enterprise requires unique presentation in front of people in order to stand out from the rest and to build a confidence in people.

Giving a presentation in front of a group of people, including bosses, clients and people worldwide that are connected via teleconference is one of the toughest things you will have to do. During such a critical situation the major thing is to maintain confidence. It doesn't matter if your presentation is good or bad, if you are confident enough only then are you capable of sharing your ideas and can convince others. There are a few easy steps to make your presentation effective, interactive and memorable:

## Vary sound, sight and evidence

Diversify your presentation material in order to keep the audience attentive with variation in your evidence, voice and visuals. By adding diversity while speaking and volume rate, you keep your audience's attention and inspire them to tune in. By talking expressively and conversationally, your passion will shine.

Inject your presentations with emotional words, like "excited." With practice, you will feel more comfortable with this type of vocal variety. Rehearse your presentation and you will get confidence.

Fluctuating the kind of evidence you use to support claims in your presentation is vital. Presenters used to rely on their favourite kind of evidence, like stories or data. Both quantitative and quantitative academic exploration has

found triangulating your support delivers more memorable results. Consequently, try to deliver three diverse kinds of evidence, such as a testimonial, a data point and a story. This will conveniently strengthen your argument. In order to intensify the variety of your nonverbal delivery (movement and gestures), record yourself while delivering a presentation during rehearsal, then play the recording and practice your gestures/movements. You can add variation to body movements and gestures without the distraction of speaking.

## Know your audience

Being a presenter, your job is to assist your audience and make it easy for them to understand your message without any hurdles. Avoid delivering numbers devoid of context, because this makes it hard for the audience to understand the relevance.

An additional method to make things relevant is by connecting your presentation theme with information the audience already knows. You can activate the audience's mental constructs by comparison of advanced information with something the audience already knows about.

## Rehearse your presentation for better output

Rehearse your presentation again and again as many times as possible, and consequently you will get better. In this way you overcome your fear of forgetting some ideas or fear of lack of confidence. You must also be neatly dressed. Audiences are going to notice you and what you say, so it is always good to "put the best foot forward" for the day.

## Read the mindset of the audience

You should be capable of judging or studying the mindset of the clients/audiences who will be attending your presentation. You must be confident with the topic of the presentation and solve all the doubts related to it. So if your audience asks you a question, you should be capable of answering it.

## Make them care

Emotionally-charged messages are more easily remembered by people than fact-based messages. Our emotional reactions have a fast roadway to our long-term memory. Try to bring some sort of emotion into your presentation to make it effective. Your tone and style should be compatible with the emotional impact. You should practice in front of those groups who can give feedback so you can make yourself as perfect as possible.

By adding emotion and variety, you can be sure the audience will remember it for a long time. The way you present leaves a strong impact on the audience. Amplify your positive impact on the audience by using these techniques and approaches.

Source: [www.lifehack.org](http://www.lifehack.org)



## The value of a policy

A man and a woman talking

"Do you know the present value of your husband's policy?" the life insurance salesman asked his client.

"What do you mean?" countered the woman.

"If you should lose your husband, what would you get?" asked the salesman.

The woman thought a minute, then brightened up and said, "Probably a poodle."

## How to file a claim

A client calls up his insurance agent and tells him he needs to file a claim.

The agent says, "Tell me what happened?" The client tells him and the agent says "I'm sorry but that's not covered." The client says "well, let me explain better what happened." The agent says "I'm sorry but that's not covered either." The client says "I'll tell you what, you tell me what's covered and I'll tell you how it happened!"

## Insuring the Batmobile

A fun game to play with car insurance companies is to see how long you can keep them on the phone before they realize you're trying to insure the Batmobile.

## How to start a flood

Two men in a fishing boat

A lawyer and an engineer were fishing in the Caribbean.

The lawyer said, "I'm here because my house burned down, and everything I owned was destroyed by the fire. The insurance company paid for everything."

That's quite a coincidence," said the engineer. "I'm here because my house and all my belongings were destroyed by a flood, and my insurance company also paid for everything."

The puzzled lawyer asked, "How do you start a flood?"



Mr. Luke Kiunga, sleepy as he looks, is probably having the last teeth cleaning of his life before climbing the gigantic Mt. Kilimanjaro in Arusha, Tanzania.

## Financial hardship

One day, an American insurance company received a letter from a lady saying that unfortunately they have to cancel her husband's life insurance policy. 'We always paid it in time', she wrote, 'but since my dear husband's sudden death last year we have had some financial hardship; therefore, we would like not to pay it anymore.'



# NEW OPPORTUNITIES IN THE PIPELINE

"The Oil and Gas sector is a new frontier that brings with it numerous prospects for our economic growth and opens up employment opportunities. Kenya Re will provide secure and competitive reinsurance as well as capacity building by training underwriters to guarantee risks in the sector and looks forward to its growth and success."

For more information please visit our website [www.kenyare.co.ke](http://www.kenyare.co.ke)



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