STRATEGIES ADOPTED BY AON CORPORATION TO GAIN COMPETITIVE ADVANTAGE IN KENYA

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DECLARATION

I, Diana Gichohi, hereby declare that this project is my own work and effort and that it has not been submitted anywhere for any award.

Signature: …………………………………...   Date: …………………

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D61/68463/2011

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DEDICATION

For my family,

For the love and the faith they had in me.

ACKNOWLEDGEMENTS

I am heavily indebted to various people and organizations, without whose material and non-material support, this research would not have succeeded. I take this opportunity to express my sincere thanks to each of these people and organizations.

The staff of the Jomo Kenyatta Library provided the opportunity to use the facilities especially in the MBA and the Electronic Library section. From these able staff I was able to access not only research reports from earlier MBA research findings but I was able to access scholarly publication from the wider academic sphere.

Much of the direction on at each stage of this research was provided by my supervisor Professor Aosa. He was there to give highly needed guidance right from the formation of the topic to the drafting of the final project. I wish to express my sincere gratitude.

The data of analysis was got from the management staff of AON Kenya. I wish to thank them for providing the data to me when I needed them to. With the data I was able to complete this project.

In my literature review I have cited quite a lot of scholarly publication. Some are from earlier research finding from project done by other MBA students. I have used scholarly papers from the wider academia. These are works without which I could not have had a scholarly insight into this research

Finally I would wish to thank my family that provided me with encouragement throughout the period I was conducting this research.

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ABBREVIATIONS AND ACRONYMS

DRAMA	-	Decision Rules for Analyzing Manufacturing Activities
MNCs	-	Multinational Corporations
PIMS	-	Profit Impact of Market Strategies
SEM	-	Structural Equation Modeling
TQM	-	Total Quality Management
AKI	-	Association of Kenya Insurers
ACII	-	Associateship of the Chartered Insurance Institute
CFA	-	Certified Financial Analyst
CPA	-	Certified Public Accountant

ABSTRACT

From earlier than forty years ago scholars have asserted that serious managers of business organization needed to give serious thought concerning the role strategy could have on firms’ competitive abilities and the benefits realizable through firms' performance. Ever since that time, strategy and competitive advantage are increasingly becoming inseparable concepts.

This study was therefore, designed with the objective of establishing the strategies adopted by AON Kenya to gain competitive advantage in Kenya. This was done through a case study on AON Kenya. The data were collected by interviewing the top management staff. Content analysis was used to analyze the responses to the interview questions.

The interviews revealed that AON Kenya is the most successful insurance broker of the over 170 competitors in Kenya. The main source of the competitiveness is the mature and experienced team at AON, research and development and its strong business development team.

However, AON Kenya finds the insurance and insurance brokerage market small and growing at a slow rate and with cut throat competition. A serious threat is building for there are new multinational insurance brokers venturing into the Kenyan market. Banks also provide a challenge for they have established insurance agencies in form of banc assurance.

In response to the market environment, AON uses research and development, business development teams, value addition and client focus, lobbying, volume discounts, diversification, marketing and visibility campaign strategy, organizational structure and specialization, and strong global networks to keep ahead and maintain competitive advantage.

The research recommends opening up of the Kenyan insurance market to improve its capacity and business space. Insurance companies should also improve their staff capacities to make the companies have internal drivers of competitive advantage.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Over forty years ago, Skinner (1969) asserted that serious managers of business organization needed to give serious thought concerning the role strategy could have on firms’ competitive abilities and the benefits realizable through firms' performance. Ever since that time, strategy and competitive advantage are increasingly becoming inseparable concepts.

Strategy and competitive advantage are inseparable too, with respect to multinational corporations. According to Lovas and Ghoshal (2000) strategy is vital in the realization of competitive advantage in organizations. Having no clear competitive strategy for organizations is an almost sure way to their failure. On the contrary, having a clear strategy that embodies a global business approach can be a sure way to their success.

Faced with the reality of having to work in different world environments at the same time, Ghemawat (2008) argues that organization are increasingly facing the challenge balancing between standardization and customization in all of their value creating activities. With this challenge, the organizations must work to attain the optimal mix between global integration, economies of scale and customization of their products. In essence, organizations have the task of internationalizing their business.

According to Association of Kenya Insurers (2013) there are 46 insurance companies compete in the Kenyan insurance market. Of the 44 locally owned, 20 sell general insurers; seven sell long-term insurance while the 16 are composite insurers selling both life and general insurance. Within the industry there 170 registered insurance broker companies

AON Kenya Insurance Brokers Limited is a company that plays the Kenyan insurance industry focusing on brokerage of insurance contracts and consulting. Though there are other players in the market including insurance companies, brokers, medical insurance providers and pension scheme administrators. AON seems to have gained competitive advantage that has put it ahead of the others. This has occurred despite the poor penetration into the potential market as a result of the poor perception regarding insurance in Kenya (Standard Investment Bank, 2013).

1.1.1 The Concept of Strategy

Porter (1980) argues that strategy leads to competitive advantage. Strategy is about gaining a position of advantage over adversaries or best exploiting emerging possibilities. However, though acknowledging the closeness between strategy and competitive advantage, studies done have found the relationship being context dependent. Some studies find that strategy determines competitive advantage. Randoy, Oxelheim and Stonehill (2001) conducted a study to find out how strategy affected competitive advantage among corporations in the Nordic region of Europe. In the research, cost of production measured competitive advantage. The study, built on 12 longitudinal case studies, demonstrated the closeness between strategy and financial cost cutting. The research provided an indication that there was positive relationship between strategy and competitive advantage.

Other studies have found competitive advantage to determine strategy. Wysokińska (2003), for instance, conducted a study to find out the nature of this relationship and in which competitive advantage was equated to productivity. The study found that higher productivity (competitive advantage) provided funding for organizations' strategic plans. This suggests that when a firm has competitive advantage, the implementation of its strategy becomes more successful than otherwise.

Other studies find the nature of the relationship between strategy and competitive advantage to be context based. In a research by Dobre (2009) in Romania which sought to establish the relationship between the competitive strategies and competitive advantage of Romanian firms found that the firms were more competitive locally but poor on the international scene. This study was done using the global index of competitive advantage index 2007-2008 that analyzed 132 countries. The findings discussed above show that the relationship between strategy and competitive advantage is close but context-based. While Wysokińska (2003) finds that competitive advantage drives strategy, Dobre (2009) finds that strategy drives competitive advantage.

1.1.2 The Concept of Competitive Advantage

Porter (1980) defines competitive advantage of a firm as superiority gained by an organization over its competitions. It is gained when such a firm can provide the same value as its competitors at a lower price, or provide higher value at higher prices through differentiation. Competitive advantage is realized when a firm matches its core competencies to the opportunities.

At the firm level, competitive advantage is the ability to provide products and services as or more effectively and efficiently as compared to relevant competitors. In this context, a firm that is has competitive advantage in the local and international market attains sustained success in without protection or subsidies. At the industry level, competitive advantage is the ability of the firms in a given industry to achieve sustained success against foreign competitors without protection or subsidies from the government of the day. At the national level, competitive advantage means the ability of the citizens to achieve a high and rising standard of living without protection from the government (Porter, 1980).

Cetindamar and Kilitcioglu (2013) identify various measures of competitive advantage in the traded sector. Such measures include firm profitability, a firm's export quotient, and regional or global market share. Within the traded sector, performance in the international marketplace can provide a reasonable measure of the firm's competitive advantage. At the industry level, competitive advantage can be measured by the overall profitability of the nation's firms in the particular industry, the nation's trade balance in the industry, the balance of foreign direct investment into and out of the industry and direct measures of cost and quality in the industry. At the national level, competitive advantage is measured by the growth rate in the standard of living, growth of aggregate productivity, and capacity of firms of the nation to penetrate world markets through exports and foreign direct investment.

1.1.3 Kenyan Insurance Industry

According to Association of Kenya Insurers (2013) there are 46 registered insurance companies in Kenya. These are divided into 44 insurance companies and 2 locally incorporated reinsurance companies licensed to operate in Kenya. Among the 44 insurance companies, 20 are general insurers, seven sell long-term insurance while the remaining 16 are composite insurers. Composite insurers cover both life and general insurance.

With reference to the Insurance Regulatory Authority (2014), there are more than 170 registered insurance broker companies in the Kenyan insurance market, spread all over the country. Alongside the insurers, the insurance brokerage firms operate both general and life insurance business lines. These brokerage firms compete on acquiring business partnerships with insurance companies and also for the prospects from the small insurance market. In addition, the brokers have recently started experiencing competition from the same insurance companies that they are seeking partnerships with (Association of Insurance Brokers of Kenya, 2013).

The insurance industry has grown rapidly in the past two decades. However, the impressive growth in premiums and incomes has not been matched with penetration into the potential market. This has been attributed to poor perception on the part of the market. The poor perception is reaffirmed by negative market sentiment following closure of at least 5 insurance providers over the past 5 years due to insolvency. Brokerage firms are also faced with competiions from their key partners, insurance companies, whereby, these companies have sort to cut out the middle-man by venturing directly to the market. They, therefore, ensure that they do not pay out commissions hence guarantee themselves a larger profit margin. Therefore it is evident that the competition faced with the market is increasingly becoming highly competitive. With such a thin market, it means insurance brokerage companies that deal with the few insurance companies have to come up with aggressive strategies if they are to remain competitive (Standard Investment Bank, 2013).

1.1.4 AON Kenya Insurance Brokers Limited

AON Corporation is a multinational company, with headquarters in London, England, was formed in 1982 after the merger between Ryan Insurance Group and the Combined Insurance Company of America. It is a global provider of risk management, insurance and reinsurance brokerage, and human resource solutions and outsourcing. Its name AON, means "oneness" in Greek and was adopted in 1987. The corporation has about 500 offices across 120 countries the world with 65,000 employees (AON, 2012). Aon Kenya Insurance Brokers Limited is a subsidiary of the AON Corporation.

Aon Kenya Insurance Brokers Ltd is the largest brokerage firm in Kenya, Miano (2011). She posits that its size locally and internationally gives them advantage over competition. Despite the harsh local competition in the Kenyan insurance industry, AON Kenya has come out with strong competitive advantage and has managed to maintain the top position.

The company leads the market in insurance broking, risk management, actuarial consulting, medical scheme administration and medical fund management, life and pensions administration, and employee benefits consulting services to medium and large organizations in Kenya, as well as individuals from different walks of life. It is a customer-driven organization that aspires to meet the highest standards of service to their clients (Miano, 2011).

1.2 Research Problem

There is a close connection between strategy and competitive advantage (Porter, 1980). When a firm has the right strategy in a given business environment, it becomes able to face the business challenges from its rivals. This is because it provides services and goods that are unique and difficult to imitate. This uniqueness brings about competitive advantage over the rivals.

Aon Kenya is the largest insurance brokerage firm in Kenya and faces rivalry from 169 other insurance brokers. These companies compete for dealing with few insurance sellers in the Kenyan market. However, AON Kenya Insurance Brokers Ltd seems to have competitive advantage over these other insurance brokers. Its competitive strategy it has put it at the top insurance brokering market in Kenya despite the high level of competition (Miano, 2011).

Studies done before have found a close relationship between competitive strategy and competitive advantage though the strategic factors driving the competitive advantage vary from context to context. The study by Soosay et al (2010) who investigated the strategies adopted by Australian manufacturing firms to sustain their local production and competitive advantage found a variety of strategic factors driving competitive advantage. These factors included quality performance, speed of delivery, dependability, flexibility and cost. The study by Jonsson and Devonish (2008) in the hospitality sector in Barbados attributed performance to strategic factors like size.

Mwangi and Ombui (2013) studied the effects of strategy on competitive advantage at Kijabe Hospital and found that that competitive strategy is closely connected to competitive advantage. Cost leadership had the greatest effect on competitive advantage. Mutimu and Were (2013) researched on the relationship between strategy and competitive advantage and also found close relationship between strategy and competitive advantage. However, the research by Tenai, et al (2009) found a weak relationship between strategy and competitive advantage. Waweru (2011) did not find any significant relationship between strategy and competitive advantage.

Different companies use different competitive strategies to gain competitive advantage in a given market. AON Kenya operates in a very competitive environment but was still able to maintain its position as the top insurance broker in Kenya. What strategies has AON Kenya adopted to gain competitive advantage in the insurance industry in Kenya?

1.3 Research Objective

The objective of this research is to establish the strategies adopted by AON Kenya Insurance Brokers Ltd to gain competitive advantage in Kenya.

1.4 Value of the Study

The findings of this research will be useful to scholars, insurance companies' managers and government economic policy makers. To scholars, the study will establish the strategies used by multinational firms in the insurance sector to face competition in a developing country. The research will contribute to the scholarly discussion concerning how multinationals can operate competitively in an underdeveloped market. Future researchers and other scholars will use the findings of this study to advance their arguments that will find this research relevant.

Managers of companies in the insurance sector in Kenya will have evidence that will shed light on how multinationals in Kenya play the market competitively. Once established, local insurance companies can alter their strategies in order to provide formidable competition. The competition will be beneficial to the insurance industry by way of improved insurance services at competitive cost. Further, it will enable managers to reap more profit for the local stakeholders in the insurance.

Government policy makers will also find the results of this research useful. This research will establish how multinationals in the insurance market have achieved competitive advantage. The policy makers can then come out with carefully tailored policies that will effectively link the insurance industry with economic development for the benefit of the country.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter focuses on the theoretical literature that provides the basis of this research. In the first section, the theories discussed are Porter's five forces model and Mintzberg's 5 Ps model. The second section discusses other considerations in the formulation of strategy while the last section discusses other research conducted on the relationship between strategy and competitive advantage.

2.2 Theoretical Foundations of the Study

There are two theories that provide the theoretical base of this study. These theories are Porter's Five forces of competitive analysis suggested in 1980 and the Profit Impact of Market Strategies (PIMS) theory suggested by the Strategy Planning Institute (SPI) in 2001 in the USA. The two theories are discussed below.

Porter’s Five Forces of Competitive Position Analysis, suggested by Porter (1980), relates strategy and competitive advantage. Porter's Five Forces model provides five headlines by which a firm can develop a broad and sophisticated analysis of competitive position and use it as input for when creating competitive strategy an organization (Ambastha, 2003).

According to Porter (1980), competitive advantage can be looked at from country level, industry level and firm level. The competitive advantage of a firm derives from the strategic response of a firm to the pressure created by five forces in the industry. These forces are supplier power, barriers to entry, threat of substitutes, buyer power and degree of rivalry.

As the model suggests, the competitive advantage is determined by the state of rivalry among similar firms already in the industry. The number and size of firms, the size and the trends in the industry, the bases of fixed and variable cost, the range of products and service ranges and the degree of product differentiation, in turn, determine this rivalry.

The threat of substitutes will also determine competitive advantage. As more substitutes become available due to product and technology development, the demand of the firm's products becomes more elastic due to the fact that customers get more alternatives. The closer the substitute, the more difficult it becomes for the firm to profitably raise the price of the product.

The power of buyers refers to the impact customers have on the firm or industry. When buyer power is strong, the relationship to the producing industry reduces to a sort of a monopsony. Under such conditions, the buyer has a stronger say on price. This can arise where the market has few buyers with significant shares of purchases, or can easily purchase the product from a rival.

Porter (1980) also identified supplier power and new market entrants as two other environmental forces that determine the competitive advantage of a firm. If suppliers of labor, components, and other supplies are powerful, they can exert a strong influence on the producing industry through activities like selling raw materials at a high price to capture some of the industry's profits. The threat of entry arises when there is possibility that new firms may enter the industry and change the rules of the game. Firms in industries that are free to entry can easily have their competitive advantage compromised by the entry of new firms.

The relevance of Porter's (1980) five forces model is twofold. This model focuses on the industry in the same way this research intends to do. The research aims at analyzing the strategies employed by AON with respect to the insurance industry in Kenya. Secondly, the model provides suggestions of the areas that are generally important to the strategy of firms due to industry forces. These are theoretical guidelines to this research.

Strategy Planning Institute (SPI) in the USA launched the PIMS Principles (Leong, 2001). PIMS is an acronym for Profit Impact of Market Strategies. Studies involving PIMS began in the USA and spread to Europe. The PIMS principles have now reached Japan and Singapore. Studies involving PIMS have identified a set of business principles regarding the relationship between performance and strategy (Leong, 2001).

PIMS programs explore many possible diversions of strategy and the market environment that might influence performance. Some of the principles are applicable to virtually all kinds of businesses while others are for specific conditions (Buzzell and Gale, 1987). PIMS address generally the relationships between market structure, market strategies and business performance (Kotabe et al. 1991). However, Buzzell and Gale (1987) specified six basic principles with predictive value on corporate performance. These principles include product quality, market share, investment intensity, business portfolio, vertical integration and long-term value. A firm that focuses on these principles gains competitive advantage.

2.3 The Concept of Competitive Strategy

Competitive strategy means different things to different people. Mintzberg (1987) defines competitive strategy in terms of 5 Ps. The Ps stand for Plan, Ploy, Pattern, Position and Perspective. A competitive strategy is a plan, that is, a consciously intended course of action for dealing with a situation. A competitive strategy is also a ploy or a specific maneuver aimed at outwitting an opponent or competitor. Further, a competitive strategy is a pattern of behavior demonstrated by a stream of actions. The fourth P means that strategy is a position the firm takes in its competitive environment. The last P stands for perspective, which is the way the organization sees the world.

According to Porter (1996), strategy is what makes the firm's whole add up to more than just the sum of its business unit parts. He defined corporate strategy as the overall plan for a diversified company. Porter argues that a firms' competitive strategy is about being different, that is, the deliberate choice of a different set of activities aimed at delivering a unique mix of value. He asserts that a company can outperform rivals only if it can establish a difference that it can preserve.

Steiner (1979) viewed competitive strategy in terms of some five tenets. He asserted that strategy is that which top management does that is of great importance to the organization; competitive strategy is about purposes and missions; competitive strategy is about the important actions necessary to realize directions; competitive strategy is an answer to the question: What should the organization be doing? Strategy also answers the question: What are the ends we seek and how should we achieve them?

2.4 Strategy and Competitive Advantage

According to Porter (1980), there are three potentially successful generic approaches to outperforming other firms in an industry: overall cost leadership, differentiation, and focus. A firm can pursue one or a combination of the generic strategies. In Porter's view the choice between one of these generic business strategies is strongly influenced by the five competitive forces that he identified in industries.

The cost leadership strategy requires the sale of a standard product supported with aggressive pricing. This strategy therefore requires making a standardized product and underpricing everybody else. To achieve this cost leadership, a firm should purchase the most modern plant in the industry for the sake of cost reduction leading to the use of capital-intensive production techniques. This cost leadership can also be achieved as a benefit derived from its cumulative experience and learning. This can also be achieved when a firm has the advantage of controlling the larger market share (Kiechel, 1981).

A firm can also achieve competitive advantage through product differentiation. Differentiation strategies based on providing buyers with something that is different from what rivals are offering or unique. Product differentiation strategy anchors upon the assumption that customers are willing to pay a higher price for a product that is satisfyingly distinct in some important way. Distinction manifests when value is created through the product being of superior quality, the product being technically superior, the product comes with superior service, or the product has a special appeal in some perceived way. Competitive advantage is achieved because it makes customers more loyal-and less price-sensitive (Bordes, 2009).

The final generic strategy is the focus strategy. This strategy calls for focusing on a particular buyer group, a segment of the product line, or geographic market. The entire strategy is built around serving and satisfying the particular target fully. The firm is, therefore, able to achieve low cost position or differentiation or both with regard to narrow market. If achieved, the focus strategy beats competition by insulating the firm from all the five competition forces (Thenmozhi, 2012).

In most industries, some firms are more profitable than others. The superior performers have something special in their products that cannot be imitated by rivals or new entrants into the market. The unique skills and assets that enable the difficulty to imitate products provide the source of competitive advantage. Competitive advantage arises either from implementing a value creating strategy that is not being implemented by current or potential rival (Barney, 1991).

According to Coyne (1985), competitive advantage can be achieved and sustained if the products produced are valuable, rare, difficult to imitate and having no strategically equivalent substitutes. This uniqueness of products can also be sourced from a firm having a competitive positional advantage in terms of cost leadership or differentiation advantage.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter sets out the approach for conducting this research. The chapter identifies the procedures and techniques that were used in the collection, processing, and analysis of data. The following subsections are therefore included; research design, data collection and data analysis.

3.2 Research Design

This research was a case study. A case study is a descriptive research that aims at accurate portrayal of the characteristics of persons, situations or groups (Polit and Hungler, 2004). Gerring (2004) defined a case study as an intensive study of a single unit for the purpose of understanding a larger class of similar units. This research fits a case study since it takes a focused study of AON Kenya Insurance Brokers Ltd at a point in time in order to understand the strategies used by similar corporation to gain competitive advantage.

Korsaa (2010) applied this method of research when she sought to find out the competitive strategies adopted by Ryanair which is a leading company in the Irish airline industry. This research adopts this approach because, just like Ryanair, AON Kenya Insurance Brokers Limited is also a market leader.

3.3 Data Collection

This research required primary data on the strategies used to gain competitive advantage in AON Kenya. The primary data was collected by the interview guide in Appendix I.

The interview guide used open ended questions in an interview conducted by the researcher. The researcher contacted the respondents in advance notifying them of the interview, book an appointment with them and reveal the nature of the interview. On the agreed date, the researcher used face-to-face interviews to obtain responses to the questions in the interview guide in Appendix I. The researcher used a voice recorder to capture the responses of the managers.

Respondents were from the top management of AON Kenya. The top management is made up of the Managing Director, Chief Commercial Officer, Chief Broking Officer, 8 General Managers and 14 Associate General Managers. Eight of this top management team provided information for the research. The 8 would be either of the Managing Director, the Chief Operating Officer and the Chief Broking Officer; five General Managers or two Associate General Managers. This is because the top management is directly involved in designing the strategy of AON Kenya.

3.4 Data Analysis

The data obtained from the respondents was transcribed from the audio form to written form. Content analysis was used to analyze the data from the interviews. Content analysis involves looking for key words or phrases and focusing on identifying and describing both implicit and explicit ideas within the data. Codes were developed to represent the identified themes and linked to draw connections and summaries per variable.

This analysis model is apt for this research since competitive strategy is a qualitative activity. According to Nkwi, Nyamongo, and Ryan (2001) content analysis applies to data that do not indicate ordinal values. This qualitative analysis of the qualitative data collected using interviews, will lead to the achievement of the three objectives of this study by finding out from the interviews whether rivalry, new market entrants and product and technology development affect the competitive advantage of AON Kenya.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter focuses on the presentation of data and interpretation. The first part presents the analysis obtained while the second part discusses the findings in relation to other literature. The data was gathered through the interview guide as designed in line with the objective of the study.

4.2 Strategies Adopted by AON Kenya to gain Competitive Advantage in Kenya

AON Kenya is the most successful insurance brokerage firm compared to other brokers in the Kenyan market. It is the only insurance broker with revenue standing at over one billion Kenyan shillings. The respondents confirmed that the company is a market leader offering insurance brokerage services in all classes of insurance, pension administration, medical scheme administration, human resource consulting, risk management as well as actuarial consulting. The client base varies between retail, SMEs and large corporate bodies.

However, it was established from the respondents that there is stiff competition in the Kenyan market as many companies are venturing into the insurance brokerage business including new entrants; multinational insurance brokers such as Generali, Willis and Gras Savoye. Banks have recently started to set up insurance agencies in form of banc assurance, which are competing with insurance brokers in the small Kenyan market.

Existing insurance companies and brokerage firms, therefore, experience cut-throat competition and result to undercutting. The interviewees confirmed that the insurance penetration in Kenya was 3.44% in 2013. The 2013 AKI report reported an annual growth of 0.3%. This indicates that the over 170 insurance brokers are competing in small market. The study, therefore, sought to find out the strategies that AON Kenya adopted to gain competitive advantage in Kenya.

4.2.1 Research and Product Development

The interviewees confirmed AON has invested heavily on the research and development aspect of the business. Employees in the company are given contemporary topics on areas in insurance in addition to current affairs that affect businesses. According to the respondents, an employee is selected to conduct research in emerging areas like oil and gas, power and mining and prepares a presentation. The other employees contribute to the findings of the research and challenge where necessary.

The result is an understanding of the challenges facing existing and prospective clients, understanding their risk profiles and coming up with unique and customized solutions suggested by the team of employees. Through this strategy, changes in the insurance market are brought to the attention of the team at AON Kenya and the training sessions provide a participatory opportunity to come up with tailor made approaches that exceed the expectations of the clients as well as build capacity as business units.

4.2.2 Human Capital

The study established that AON Kenya highly valued its employees. Most of the respondents have worked for AON for over 10 years which implied that the company was perhaps a good employer.

The interviewees indicated that AON Kenya sponsored its employees to seek professional qualifications such as ACII, CFA, CPA and actuarial professional papers. The respondents also confirmed that the human resource division conducted course training sessions done on a regular basis throughout the calendar year. The employee trainings are conducted by facilitators who concentrate on areas that improve the performance of the employees.

The employees are also given an opportunity to suggest areas that they would wish to be trained on such as time management, client service delivery and smart selling courses. This goes a long way in empowering the employees and strengthening their skills in various aspects. The interviewees indicated that these trainings assist the company in building capacity to handle various situations in the insurance business environment as well as different classes of risk. The clients are able to see the output of these trainings through the professionalism of the employees.

The respondents identified reward and compensation as one of the areas AON Kenya excelled in motivating its employees. Employees that exceed their expectation by the end of the financial year are rewarded with annual bonus and possibly a promotion. The promise of these rewards encourages employees to work harder throughout the year.

The interviews showed that the human resources division also facilitates various team building activities throughout the year. This assists the employees to interact outside the normal working hours and outside the usual office environment. The senior management team is able to mingle and exchange ideas with a cross-section of their employees. This ensures that once the employees are back to work they know more about each other and able to efficiently work as teams.

The interviews established that these human resources practices, in turn, translate to highly motivated employees who are driven to achieve excellent performance and subsequently ensure that their employer emerges as the best in the insurance industry.

4.2.3 Organizational Structure and Specialization

The interviewees indicated that business development is a key subject at AON Kenya. The business is structured into teams of employees managing various sections of the AON Kenya portfolio mainly segmented into classes of insurance. The respondents indicated that these teams are divided mainly based on general insurance business under Aon Risk Solutions and Aon Hewitt for employee benefits. The units were further subdivided into smaller groups based on the clients' industry. For instance, clients in the agribusiness sector were clustered together and one unit was able to handle the accounts of such nature.

The interviewees indicated that the team members were able to specialize in this fields which ensured that they were knowledgeable enough to advise all clients in the specific sector. The interviewees saw this as AON Kenya's strategy to ensure that the members of these teams were experts in those fields.

The study also showed that this segmentation of business units allowed the company to monitor the areas which were performing well and those that needed more investment due to poor or mediocre performance. The interviewees noted that this was a better approach than what most insurance brokers are implementing as most did not segment their business based on clients' industry. A large number of brokers do not have proper internal structures and specialization of services which gives AON a competitive advantage in Kenya.

AON Kenya has had most of its strategies focusing on customer retention. The interviewees affirmed that AON Kenya revised its internal structures on a continuous basis due to changes in the market forces and alignment to the Kenyan insurance market. Restructuring is taking place to focus more on the business development aspect of the business.

Other than venturing into counties in Kenya and HR consultancy, restructuring is currently taking place at AON Kenya to focus on local market planning (LMP). In client service model and local market planning, there is a plan to improve engagement with clients at all levels of management especially the executive. This will hopefully enhance the visibility of the company in the local market as well as strengthen client engagement at all levels.

4.2.4 Business Development and Product Innovation

The interviewees affirmed that AON Kenya has a strong business development team tasked with developing new solutions for their clients as well as obtaining new business. They are able to customize insurance solutions to meet the clients' needs. The business development team is clustered into small teams with each targeting a specified set of prospective customers segmented in terms of their industry.

The respondents noted that a lot of cross marketing is done between the divisions where clients in one business unit are prospects for other unit. The interviewees indicated that weekly cross marketing meetings are held to monitor the progress of the teams in acquiring the new accounts. This strategy has assisted AON Kenya to obtain new business mainly due to internal referrals and also as a result of the clients' confidence in past AON service standards.

The interviews confirmed that AON Kenya is a pioneer in product innovation. There is a research and product development unit that is tasked with conducting market research and formulation of products based on market demands and opportunities. The company has been able to design products that are unique to AON Kenya. Such products include AONs Medical Tourism package, AON Umbrella Scheme, Total Employee Benefits Solution (TEBS), Rest Easy, AONs Medical Retirees Cover, AON Assist and AON Rescue. The respondents noted that other insurance brokers are not keen in launching their own branded products but concentrated on selling branded insurance company products.

4.2.5 Value Addition and Customer Focus

The respondents pointed out that value addition strategy provides room for differentiation given that insurance products in Kenya are difficult to distinguish. The differentiation comes through value addition. For instance, the interviewees pointed out that AON Kenya goes a long way in training their clients. They conduct member education for pension and other employee benefits schemes usually done on a quarterly basis. This training has helped AON maintain some clients for over three decades. Clients are able to understand the products at AON Kenya and provide input used for innovation of new ideas.

Some of the value additions include risk surveys, occupational health and safety trainings, enterprise risk assessments as well as fire audits. The respondents noted that, to some extent, this strategy holds clients loyal and strengthens the relationship AON Kenya has with their clients.

From the interviews, it emerged that each AON Kenya client is issued with a Service Level Agreement on inception of the insurance cover. This ensures that the client is aware of the AON service standards with the specific turn-around times for deliverables. The company uses this strategy as a value addition to assure the clients that AON is focused on the clients' needs and not just the acquisition of new business.

4.2.6 Lobbying

The interviews showed that lobbying is done by AON Kenya and other insurance stakeholders to generally discourage issues that threaten the performance of their business. Through this lobbying, the Kenyan government has been mandated to come up with a good local framework, through the sponsorship of the ministry of finance and parliament, to strengthen the capacity of the Kenyan insurance market to handle risks beyond the capability of the market.

Through the regulator (Insurance Regulatory Authority), Association of Insurance Brokers Kenya and Association of Kenya Insurers, banks have been stopped from forcing their clients from taking insurance covers with their banc assurance outfits as a condition for providing the finance. Through the insurance protection Act, the clause demanding that loan takers must take insurance with banks has been removed. This is has created an opportunity for AON Kenya to sell these products to their clients directly.

4.2.7 Volume Discounts

Interviewees affirmed that discounting is used to award existing clients to ensure they renew cover with AON Kenya. Lowering the premium rates comes as the last result but AON Kenya ends up doing it to retain business. In such a situation where a client has threatened to move its business from AON, the company is forced to undercut by lowering their premium to match what is offered by others in the market.

However, premium reduction is the last option. The study established that the new approach from global clients is to move away from commission based income, as required by the Kenyan insurance act, to fee based income which is much cheaper for the client but ultimately reduces the income earned by AON.

4.2.8 Diversification

According to the interviewees, the diversification done at AON Kenya is different from ordinary differentiation. The company is able to look at a whole spectrum of policies covering different classes of insurance. Their strategy encourages clients to get all lines of insurance from AON Kenya mainly to ensure all the client risks are catered for under one roof. AON Kenya provides the brokerage services to all these lines of insurance and is therefore is well placed to provide comprehensive consultation for all its clients risk needs. When a client seeks all classes of insurance through AON Kenya, they are able to get customized products that we tailored made to suit their needs and demands. They also provide value additions as well as qualify for volume discounts.

The respondents indicated the new front of diversification is in the Kenyan counties and in Human Resource Consultancy. The change in the Kenyan governance from the fully centralized structure to the federal system has provided room for diversification based on the geographical location of the clients. Due to this, opportunities for clients in various industries have come up and AON Kenya has taken this as a chance to venture into new areas hence opening offices in these counties to easily reach its clients especially in retail and small to medium sized enterprises. Products will be also be customized to fit each county’s needs and demands.

The interviewees advised that AON Kenya had recently ventured into Human Resource consultancy, an opportunity that came about after they conducted market research and realized there was untapped market in this field. Human Resource consulting is usually not an area that insurance brokers venture into but AON Kenya undertook a capability test and saw the opportunity.

4.2.9 Marketing and Visibility Campaigns

To compete with the other multinational insurance brokerage companies venturing into the Kenyan market, the interviewees affirmed that AON Kenya has strengthened its marketing policies through aggressive media campaigns on radio, print media, social media and television. This is to improve the visibility of the company in the local market. These campaigns enable the interaction of clients with the AON Kenya team especially since the companies is well known for their corporate book and not for retail and SMEs.

Clients are able to give their input with regards to AON Kenya products and services which in turn is used to improve services rendered to clients as well as give insight into innovation of products to meet the needs of the clients.

The interviewees also indicated that AON Kenya implemented a strategy to have regular forums where clients and prospects were able to meet and exchange ideas. For instance, AON Kenya hosts AON open days for employee benefits where clients are able to seek advice on their medical status, do medical examinations and interventions all at no cost. This gives the client a chance to seek advice from medical professionals all organized by AON Kenya healthcare team.

AON Corporation had signed a four-year shirt sponsorship with the English football club, Manchester United, in 2009. The respondents noted that the sponsorship assisted AON Kenya's visibility due to the popularity of the sport in Kenya. AON Kenya capitalized on this and engaged their clients and prospects through various events such a family fun days, hosting game nights where clients were able to mingle with their account managers. There was significant increase in retail new business as a result of this sponsorship especially in motor and home domestic package policies.

The respondents indicated that AON Kenya has competitive advantage over most local brokerage firms as they do not have the capability and network to partner with big brands such as Manchester United that have global visibility.

4.2.10 Technology

The interviews indicated that AON Kenya has competitive advantage over most local brokerage firms as the firm has invested heavily on IT systems and infrastructure. This has enabled the company to handle large volumes of business especially for the affinity business which is characterized by the large number of transactions. The respondents affirmed that these systems were in place to make processes run efficiently and faster hence ensuring the customer experience is excellent.

The dedicated IT unit ensures that the firm is equipped with the most advance technology in the market. The interviews revealed that AON Kenya was the pioneer broker to integrate biometric member identification for medical insurance schemes intended for fraud management. Most insurance brokers do not have these kinds of resources at their disposal which affirms AON Kenya's competitive advantage with regards to ICT.

4.2.11 AON Corporation Global Network

The interviews revealed that AON Corporation has global presence, with operations in 120 countries, 500 local offices around the world and over 65,000 employees. The respondents were confident that this global network gave the company competitive advantage internationally as well as in Kenya. The interviews showed that the fully dedicated global consulting capabilities played a big role in gaining the confidence of clients with global offices as it showed that AON Kenya is able to handle all kinds of insurance needs and capacity to handle complex risks.

The study indicated that, not only is AON the only broker with the capacity to deal with such category of clients, but these multinationals also seek insurance business from other multinationals like AON mainly due to the global partnerships that they have established internationally.

4.3 Discussion

The findings of this research indicate that the competitive advantage at AON Kenya is a function of competitive rivalry, new market entrants and product and technology development. For quite some time AON Kenya has enjoyed dominance in the insurance brokerage business with the other over 170 brokers not being threatening competitors. As a result, the profitability of AON has been improving. This agrees with the position of Porter (1980) who clearly identifies rivalry among competitors as a key force driving competitive advantage. In the case of AON Kenya, the low level of rivalry in the brokerage business arising from the poor capacity to bear risk and compete by the competitors has enabled it achieve strong competitive advantage.

However, the dominance is now under threat. When a market looks lucrative, it attracts new players whose intention is to share in the spoils of the market. As porter (1980) argues, rivalry increases when a new firm makes a strong entry into a market. When this happens, the current firms have to respond to the entry of the new strong firm. Failure to respond will definitely reduce the competitiveness and profitability of the existing firms.

This research finds that product and technology development is another force driving strategy at AON. Product and technology determine the nature of competition by way of determining whether threats will arise from entry of new products, or through product differentiation or replication of products. In the Kenyan insurance industry, as a whole, companies sell almost similar insurance products. Any new product is easily replicated by competitors. This is in line with Porter (1980) who identified substitutes as a threat to a firm's competitiveness.

As argued by Porter (1980) and Leong (2001) the survival and the competitiveness of a firm depends on the response to market conditions. In Porter's (1980) discussion, a firm can respond to market forces using three generic strategies, namely, overall cost leadership, differentiation, and focus. In cost leadership strategy, the firm aims to be competitive by way of being the provider of a product at the lowest cost. In differentiation strategy, the firm's aim is to make its products look different, in the consumers' view, from those of competitors. In the focus strategy, the firms gains competitive advantage through focusing on a segment of the market.

At AON, this model by Porter (1980) seems to be at play. Though not aiming to make its services cheap, AON Kenya is taking internal restructuring in order to reduce the cost of production. This is seen when the company is aiming at maintaining a small but highly trained team. This is seen by the company having internally driven training programs on market changes. These training sessions are sponsored by the employer.

The use of differentiation is a response to market forces provided by Porter (1980). This research found that at AON Kenya the strategic issue is the similarity of insurance products and the ease with which companies copy the products of other insurance companies. To differentiate its products while maintaining its price, AON Kenya focuses on adding value. This is in contrast with competitors who focus on making their products cheap but with poor value for money. Through this strategy, AON has managed to maintain some clients for as long as thirty years.

In Porter's (1980) third strategy, a firm focuses on a particular segment of the market. AON Kenya has been focusing on the corporate clients, some who have very complex risks to get local insurance forcing offshore placement However, AON Kenya is now planning to have a business unit to focus on brokering insurance business for small and medium enterprises in Kenya. This strategy will be tied with moving into counties as a new management approach to the competition that is increasing by the day.

The PIMS model also seems to be a guiding principle at AON Kenya. As discussed by Buzzell and Gale (1987) six basic principles determine corporate performance. These principles include product quality, market share, investment intensity, business portfolio, vertical integration and long-term value. Buzzel and Gale argue that if a firm focuses on these principles it gains competitive advantage. At AON Kenya this study found that profitability is a key measure of performance. Measures to protect this profitability are determined by market conditions as posed by the PIMS model.

In line with the PIMS model, AON Kenya responds to market conditions depending on its expected effect on profit. This is demonstrated by the use of strong marketing policy, diversification, lobbying, value addition and even volume discounting to ensure the bottom line remains protected.

Elements of the Blue Ocean approach by Kim and Mauborgne (2005) to competition is practiced by AON Kenya. The company is planning to venture into areas not associated with insurance brokerage at all. Recently AON Kenya ventured into Human Resources consultancy. This is a "cleaner" ocean relative to insurance. The company expects that by the time other insurance brokers replicate this idea, AON Kenya will be reaping the benefits of being a forerunner in the market.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This is the final chapter of this project. It provides a summary of the findings and the discussions. The chapter also draws the conclusions from findings, highlights the limitations of the studies and provides consequent recommendations.

5.2 Summary

The intention of this research was to establish the competitive strategies adopted by AON Kenya to gain competitive advantage in Kenya. This arose from the fact that AON Kenya is able to gain competitive advantage in the Kenyan insurance brokerage industry despite the high level of competition and the difficulties in the market.

The data used for the research was obtained from interviews with the top management staff at AON Kenya. The primary data was obtained by use of face-to-face oral interviews. The respondents were required to orally respond to questions posed by the interviewer concerning strategy and competitive advantage. The dependent variable was competitive advantage while the independent variable was strategy.

AON Kenya is the most successful insurance broker of over 170 competitors in the Kenyan market. It is the only insurance broker with revenue above one billion Kenyan shillings. The main source of the competitive advantage is the team at AON, research and development, AON global network and its strong business development team. The team is characterized by mature, experienced professionals who have a fine understanding of the insurance brokerage business. This makes it possible to engage clients and underwriters proficiently. The skills of the team are developed through internal training programs in which the employees are trained by peers on topical issues in the insurance industry, AON sponsorships for various professional courses as well as short course trainings

However, AON Kenya finds the insurance and insurance brokerage market small and developing at a slow rate. This is indicated by the inability of the market to provide insurance covers for large risks especially in emerging areas such as oil and gas, mining and power. Furthermore, the competition is cut-throat for there are over 170 registered insurance brokers serving a market growing at 0.3 percent per annum and market penetration of 3.44% in 2013.

The respondents mentioned that the AON Kenya's research and product development strategies were superior. Research is conducted on contemporary topics on areas in insurance in addition to current affairs that affect businesses.

The study implied that AON Kenya is possibly a good employer as it places a lot of value in empowering its employees through investment in education, team building and reward and compensation. This has enabled the company to reap the fruits of a highly motivated team that performs exceedingly well and consequently assists the company in meeting its set objective of maintaining its position at the top of its industry.

The interviewees indicated that the AON Kenya team is segment based on clients' industry enabling the team to specialize in various fields. This ensures that they are experts in the specific sectors. AON Kenya structures, according to the study, are revised on a continuous basis due to changes in the market forces and alignment to the Kenyan insurance market. This assists the company to realign itself to focus on business development and client engagement by top management.

The interviewees affirmed that AON Kenya has a strong business development team tasked with developing new solutions for their clients as well as obtaining new business. AON Kenya's product innovation strategy to design unique AON branded products is well ahead of its competition that does not put much focus on branded products.

The respondents pointed out that AON Kenya implements a customer focus strategy through value addition that provides room for differentiation given that insurance products in Kenya are difficult to distinguish. Value additions include various client trainings, enterprise risk assessments, fire audits and service level agreement.

The interviews showed that lobbying is done by AON Kenya and other insurance stakeholders through the regulator, Association of Insurance Brokers Kenya and Association of Kenya Insurers to generally discourage issues that threaten the performance of their business.

Interviewees affirmed that discounting is used to award existing clients to ensure they renew cover with AON Kenya. The company also lowers premium as a last result in order to maintain clients threatening to switch to a different broker. Fees based income has been looked into since global clients are moving away from commission based income.

The findings indicated that AON Kenya has diversified its business into different classes of insurance. Their strategy encourages clients to get all lines of insurance from AON Kenya mainly to ensure all the client risks are catered for under one roof. The company also has looked into new front of diversification is in the Kenyan counties and in Human Resource Consultancy.

The respondents indicated that AON Kenya has strengthened its marketing policy through aggressive media campaigns on radio, print media, social media and television. This is to improve the visibility of the company in the local market. The company has competitive advantage over most local brokerage firms as they do not have the capability and network to partner with big brands such as Manchester United that have global visibility.

The findings also confirmed that the AON global network could be a strategy enabling AON Kenya to be fully dedicated global consulting practitioners with cross functional capabilities that enable the firm to handle complex risks that local insurance brokers do not have the capacity for. This as a result ensures that AON has a competitive advantage to its peers in the Kenyan market.

In the global clients market, AON Kenya seems not to have serious competition since the multinationals also seek insurance business from large companies like AON Kenya. However, serious threat is building for there are new multinational insurance brokers venturing into the Kenyan market. The main challenges come from the banks which have opened up banc assurance firms which force loan takers to cover their financial facility with them instead of allowing the loan takers to seek their own insurance cover from other providers.

5.3 Conclusion

From the findings, the following conclusions are made. First, AON Kenya is a very competitive player in the Kenyan insurance brokerage business. Its competitive advantage has enabled it be the only insurance broker with revenues above one billion Kenyan shillings.

The main driver of success at AON Kenya is the quality of the staff, the input in research and development and its strong business development approach. The maturity, experience and skills owned by the staff enable AON to operate profitably. The skills of the staff are improved through an internally driven research and training program.

The Kenyan insurance and insurance brokerage market is small and growing at a slow rate. This is has made it difficult to build capacity for large risks. Further, the small market has over 170 registered insurance brokers leading to cut throat competition. The competition is increased by the similarity of products with low room for product differentiation as the companies easily replicate each other's products. Banc assurance also increased the competition for brokerage insurance from the banking industry.

5.4 Recommendations

To improve its competitive advantage, this study recommends that the strategy used by AON Kenya focuses on increasing its presence in the small insurance market in Kenya in order to benefit from the fast rate of growth of the Kenyan economy.

There should be strategies put in place to widen the insurance and insurance brokerage market. This will not only widen the playing field for providers of insurance, but will ensure that more Kenyan citizens and businesses take put insurance. Banks should be left in the banking sector instead of diversifying into insurance. If they are to diversify into the insurance market then they have to compete fairly. They should not force clients to take insurance cover as a condition for loan qualification. The regulator should enforce this by ensuring regulation is done accordingly and fairly.

Insurance companies and, indeed other companies, can use research and development and improvement of their staff as a way of strengthening their competitiveness. This strategy has enabled AON bolster its leadership in the Kenyan insurance market.

Strategies should be put in place to expand the capacity of the Kenyan insurance market. The inability to provide cover for large risk makes Kenyan insurance companies lose businesses when such covers are provided by offshore companies. In addition to improving the capacity of the insurance market in Kenya, insurance companies should put in place mechanisms to diversify their clientele. This can be done by venturing into counties as sub-units of marketing and targeting the SMEs which are easier to serve as compared to the large organizations.

5.5 Limitations of the Study

The data covers one insurance broker in Kenya. This makes the findings not expressly applicable to all the other insurance brokers in Kenya. The results given by this study are therefore limited to AON Kenya. Further, the findings may not be applicable universally because the research was limited to AON Kenyan.

The strength of the findings of this research is weakened by the nature of the data. The information is qualitative in nature. The findings are therefore highly dependent upon the views, attitudes and the expertise of the opinions of the people who provided the information.

Given that the East African region is coalescing into one trading bloc, the study has not delved into finding out strategic issues in the East African region that can guide a company expanding its growth regionally. Strategic issues in Kenya are not necessarily same issues in the other East African countries.

5.6 Suggestions for Further Research

The findings of this study can be improved if the study is expanded to cover as many insurance companies as possible. Also given that Kenya is a key player in the East African community the study can be expanded to cover other insurance companies within the East African community in order to provide result that will be useful in that context.

A future research can be carried out on the same topic, but using quantitative data. This is with the assumption that the quantitative data will provide results that are better than those provided by the qualitative data used in this study. The possible objectivity issues that arise may be settled by using quantitative data.

A future researcher can conduct the research with the aim of determining whether there is a causal relationship between strategy and competitive advantage in insurance industries. This will help provide an explanation of whether competitive advantage in insurance firms is caused by the strategy used or is it just a simple correlation.

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APPENDICES

Appendix I: Interview Guide

SECTION A: GENERAL INFORMATION

1. Tick the appropriate position you hold in AON Kenya

Description	
General Manager and above	
Asst. General Manager	
Service Manager/ Senior Account Managers	
Account Managers	
Senior Account Executive	
Account Executive	
Admin Staff	
Contract Staff	
Interns	

2. How many have you worked with AON Kenya? ____________________
3. Which branch of AON Kenya do you work for?

Description	
Nairobi	
Western (Eldoret)	
Coast	
Other (Specify)	

4. Which department you work (ignore if you are MD, CCO, CBO)

Personal Lines Division	
Healthcare Division	
Group Services Division	
Life & Pension Division	
Marketing & Business Development Division	
Industry & Mining Division	
Specialty Division	
Risk Consulting Services	
HR and Administration Division	
Coast Division	
Western Division (Eldoret Branch)	

SECTION B

Questions guiding the interview as per variable

I. Competitive Rivalry

1. Can you explain your instruments of success? What makes you successful as a company?
2. What strategies do you use to achieve competitiveness/ superior performance?
3. What would you say about the size of the insurance market in Kenya?
4. Is the insurance industry growing?
5. How easy is it for a firm to exit in your line of business?
6. Does your investment into your business makes it hard to exit if need be?
7. What is the nature of competition in your line of business?
8. What are the key characteristics of your customers? Are they becoming increasingly informed about your products?

II. New market entrants

1. How do you place your brand name with regard to your business associates?
2. Do you have strong relations with your customers?
3. Is it hard for customers to switch to another service provider?
4. Are there companies currently seeking to venture into your market?
5. Does it require large capital outlays for a company to venture into your business line?
6. How easy is it to lower your product prices without fear of loss ?
7. Do you have any advantage arising from the legal and political structure in Kenya?

8. How do you rate your marketing policy as compared to those of new entrants?

III. Product and technology development (Substitutes)

1. Are there products in the Kenyan market that are threats to your products?
2. Are there new technologies in the market you have not acquired but competitors use it?
3. Do you lose customers to other sources of services you offer?
4. How do your products compare to others with regard to prices?
5. How easy is it for a customer to switch from your products and go for the competitors’ products?

IV. Competitive Advantage of AON Kenya

1. Would you consider your products unique?
2. Do your products provide satisfaction to more than one need of the consumers?
3. Are there issues you feel can compromise your profitability in the near future?
4. Do you control the largest portion of the customers in the Kenyan insurance industry?
5. Are you products the cheaper than those of competition?
6. Do consumers place more value on your products as compared to competitors?
7. Are there areas that need cost cutting at AON Kenya?

Appendix II: Structure of the Top Management Staff at AON Kenya

	NUMBER	
MD	1	
Chief Operating Officer	1	
Chief Broking Officer	1	
DIVISION MANAGERS	**GM**	**AGM**
Personal Lines Division	1	1
Healthcare Division	1	2
Group Services Division	1	2
Life & Pension Division	1	3
Marketing & Business Development Division		
Industry & Mining Division	1	1
Specialty Division	1	2
Risk Consulting Services	1	1
HR and Administration Division	1	
Western Division (Eldoret Branch)		1
Coast Division		1
TOTAL	**11**	**14**

(Source: AON Kenya, 2014)