

NATIONAL INSURANCE COMMISSION



NAICOM

Corporate Strategic Plan
2011-2015

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LIST OF ABBREVIATIONS AND ACRONYMS

- NAICOM** ó National Insurance Commission
- TMC** ó Top Management Committee
- SWOT** ó Strengths, Weaknesses, Opportunities and Threats
- CFI** ó Commissioner For Insurance
- DCFI (TECH)** – Deputy Commissioner (Technical)
- DCFI (F&A)** ó Deputy Commissioner (Finance & Administration)
- IAIS** ó International Association of Insurance Supervisors
- ICPs** ó Insurance Core Principles
- RBS** ó Risk Based Supervision
- ICT** ó Information Communication Technology
- CIIN** ó Chartered Insurance Institute of Nigeria
- NIA** – Nigerian Insurers Association
- NCRIB** – The Nigerian Council of Registered Insurance Brokers
- PRAN** – Professional Reinsurers Association of Nigeria
- ILAN** ó Institute of Loss Adjusters in Nigeria.
- CBN** ó Central Bank of Nigeria
- PENCOM** ó National Pensions Commission
- SEC** ó Securities and Exchange Commission
- FSS2020** ó Financial System Strategy 2020
- AIO** ó African Insurance Organisation
- IFRS** ó International Financial Reporting Standards

1. INTRODUCTION

The National Insurance Commission was established in 1997 with the responsibility of regulating and supervising insurance business in Nigeria. It replaced the previous regulatory organ - the Nigerian Insurance Supervisory Board. Prior to 1992, the Federal Ministry of Finance licensed and supervised insurance companies.

NAICOM has been ensuring compliance with legal and regulatory requirements including capital adequacy, sound and prudent management, standards for the conduct of insurance business and protection of policyholders and the general public.

To ensure that NAICOM continues to maintain its presence and remains effective, the Board and the Top management of NAICOM with full commitment resolved to have the development of this strategic plan to set out our strategic priorities from 2011 to 2015. The plan is made up of five strategic goals. It covers the analysis of our current position, our environment, our stakeholders and a review of our historic achievements and our critical success factors.

2. MISSION, VISION AND VALUES

MISSION

To conduct effective supervision of the Nigerian Insurance Industry for the attainment of a high ethical standard needed to position the Industry as a leading market in the global economy.

VISION

To be among the leading regulators of the Insurance sector in the emerging markets

VALUES

To expect integrity from NAICOM and its staff.
To demonstrate efficiency in the discharge of our functions.
To be transparent in NAICOM's dealings with its stakeholders.

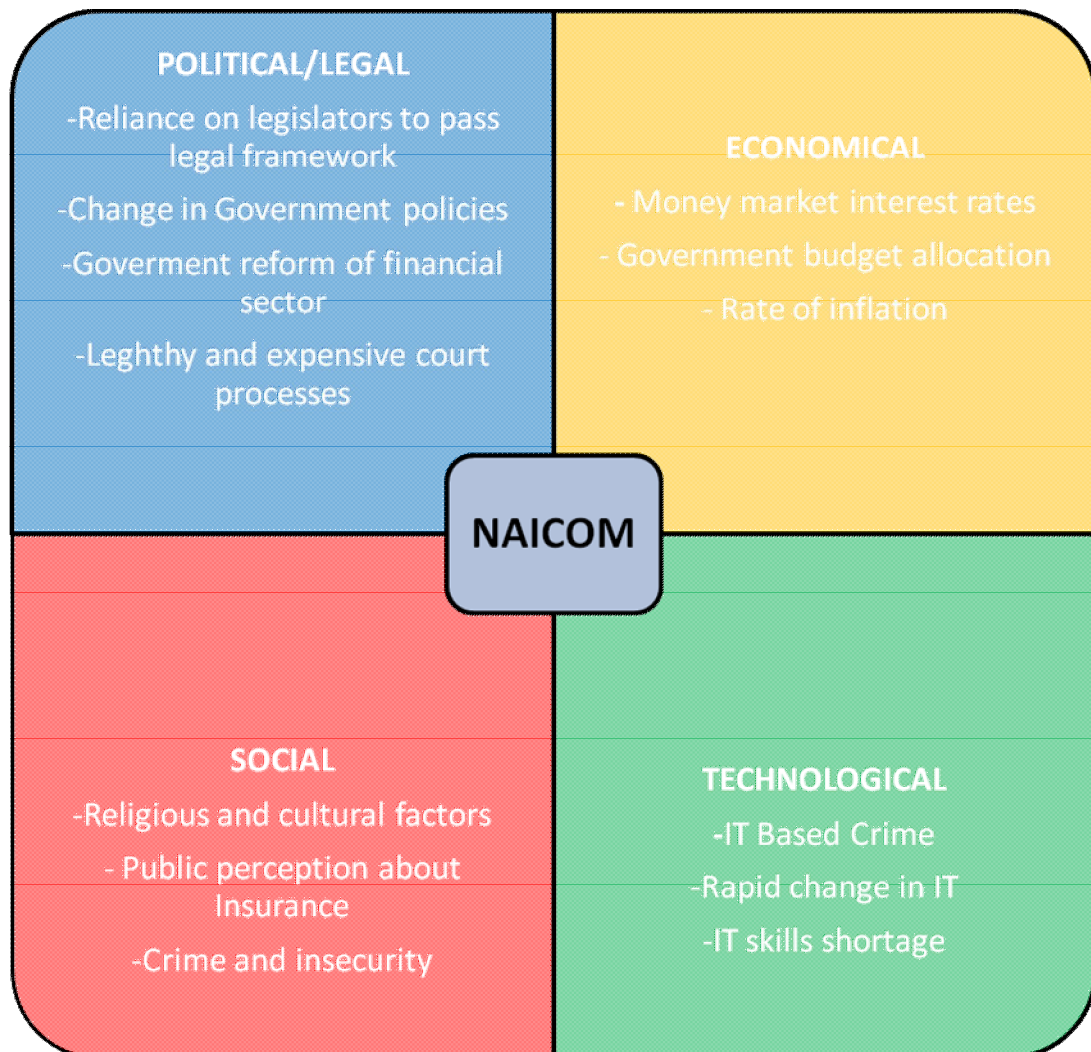
3. FUNCTIONS OF NAICOM

Its functions are to:

- **establish standards for the conduct of insurance business in Nigeria;**
- **approve rates of insurance premiums to be paid in respect of all classes of insurance business;**
- **approve rates of commissions to be paid in respect of all classes of insurance business;**
- **ensure adequate protection of strategic Government assets and other properties;**
- **regulate transactions between insurers and reinsurers in Nigeria and those outside Nigeria;**
- **act as adviser to the Federal Government on all insurance related matters;**
- **approve standards, conditions and warranties applicable to all insurance business;**
- **protect insurance policy – holders and beneficiaries and third parties to insurance contracts;**
- **publish, for sale and distribution to the public, annual reports and statistics on the insurance industry;**
- **liaise with and advise Federal Ministries, extra ministerial departments, statutory bodies and other Government agencies on all matters relating to insurance contained in any technical agreements to which Nigeria is a signatory;**
- **contribute to the educational programmes of the Chartered Insurance Institute of Nigeria and the West African Insurance Institute, and**
carry out such other activities connected or incidental to its other functions under the 1997 Act.

4. ENVIRONMENTAL REVIEW

In our day to day regulatory work we face various political, legal economical, social and technological complexities which drives us to keep working hard to promote discipline, standards and consumer protection that stimulates long-term viability of Nigeria's insurance industry, positioning it for global competition.



- **Political and legal factors** ó A change in policies could arise from any change in government. Reliance on legislators to pass legal framework could determine how quickly regulatory reforms can be effected. Lengthy and expensive court action processes can make regulatory enforcement difficult. Relationships have to be forged with many key stakeholders e.g. National Assembly, Ministers to deal with our funding issues and law making process.
- **Economic factors** - High rate of inflation reduces the value and amount of disposable income which affects market development. Government budget allocation can affect financial resources available to regulators. Money market rate affects investment income.
- **Social factor** ó Religious and cultural disposition can affect the public appreciation and perception of insurance. High Crime level affects claims insurers companies pay out. It is important for us to focus on securing protection for those vast majority of the population that are vulnerable to loss due to being uninsured.
- **Technological factors** - Technology can drive insurance market development but for factors such as cost of new technology, weak control over IT based crime, ability to keep up to the pace of change and need to get the insuring public to be IT literate.

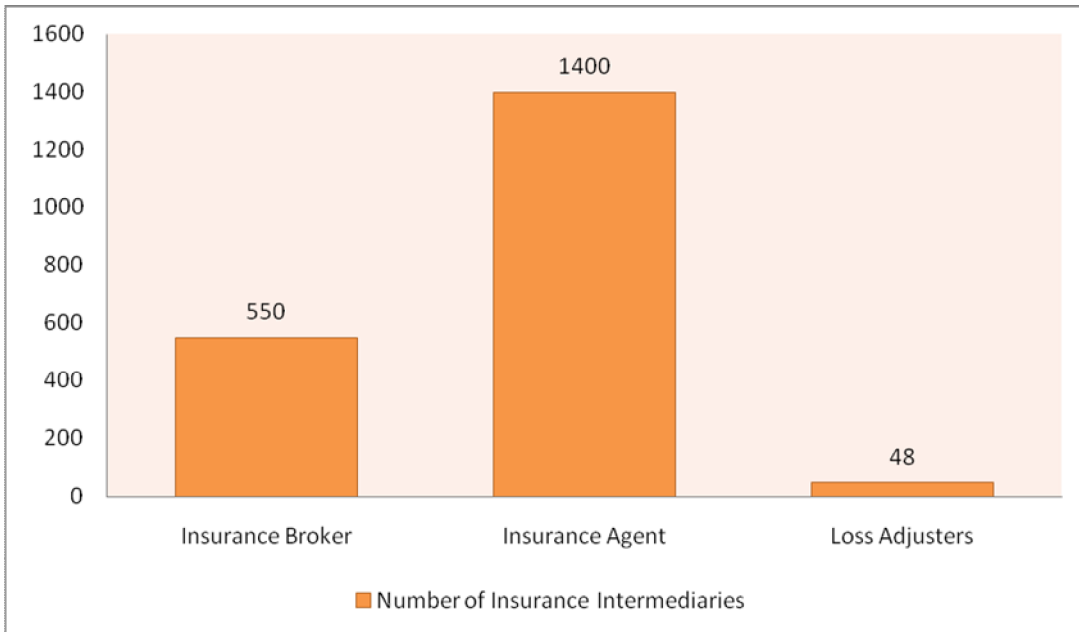
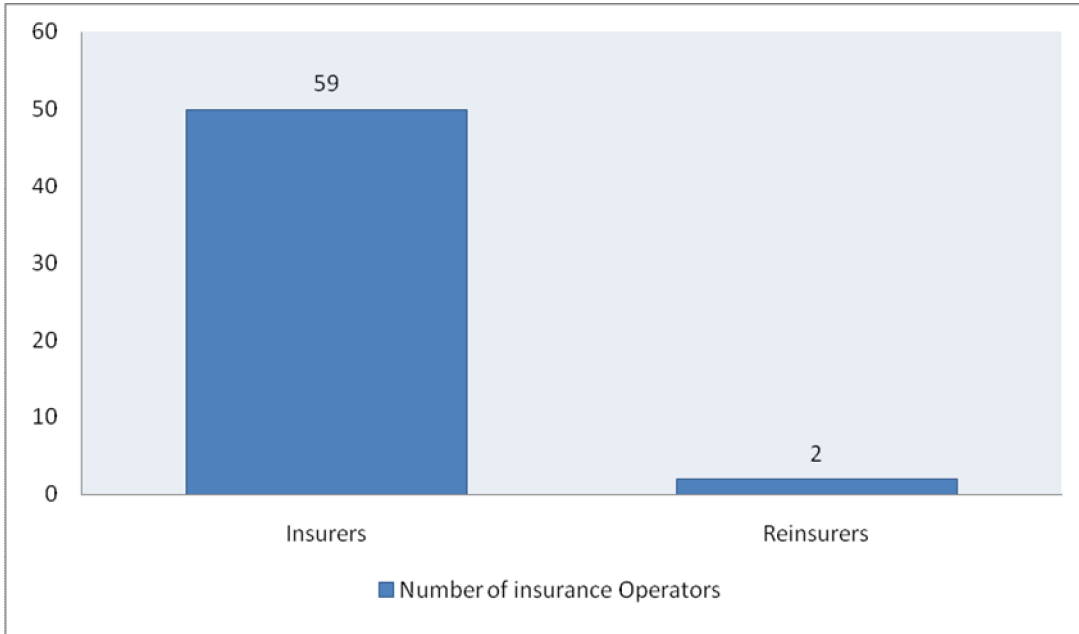
We need to study jurisdictions where technology has been successfully used to increase insurance market penetration.

5. INDUSTRY REVIEW

A key development in the insurance industry is that the industry is currently generating premium income of almost N250billion and total assets of N564billion. Although insurance premium to GDP is still just 1%, premium income has been growing at about 18% a year and could quadruple over the next 2-3 years with the ongoing market development initiatives.

This growth in the industry has been generated from 59 insurance companies, 2 reinsurance companies, 550 brokers and about 1500 insurance agents.

Number of Regulated Entities as at Dec. 2011.



6. REVIEW OF HISTORICAL ACHIEVEMENTS 2008-2010

The following achievements were recorded by the commission over the previous plan period:

EFFECTIVE AND ACCOUNTABLE SUPERVISION

In our objective for the previous planning period we set out to have an effective supervision through transparency and accountability. In achieving this, two new Deputy Commissioners were appointed to bring in their experience from the industry. The Governing Board was also reconstituted by the Federal Government and this has gone a long way in strengthening the governance architecture of the commission

MDRI

On taking office in 2007, the Commissioner for Insurance, Mr Fola Daniel identified some major initiatives and areas of focus to be pursued. These were all grouped into the Market Development Restructuring Initiative which covers enforcing compulsory insurance to eliminating forged insurance policies and fake agents to reformation of the agency system to risk based supervision. These initiatives were generally designed to improve the Commission's responsiveness to its stakeholders. NAICOM conducted several road shows and campaign and national

programme to create awareness on the compulsory insurances in the 3 geo-political zones in the North-west, North-East & South West. State Implementation & Monitoring Committees were constituted. Several factsheets and leaflets have been distributed free to members of the public. NAICOM has partnered with law enforcement agencies and state governments to ensure full compliance.

PUBLIC IMAGE AND PERCEPTION

We set an objective to attain an insurance market that is efficient with strong positive image. We have worked toward this by several initiatives i.e. massive insurance enlightenment and financial education programme. We had weekly enlightenment programmes on NTA and on the radio. We have widened the avenue for insurance consumers to seek redress via our Consumer Complaint Bureau which is now fully established.

OIL & GAS RISK RETENTION

In our objective for the previous planning period we set out to achieve an insurance industry with optimum local retention capacity. In line with our mandate to advice government on areas of insurance, Commissioner Fola Daniel has been appointed as a member of the Nigerian Local Content Board which administers the Oil and Gas Content Act. The Act will among other things facilitate local risk

retention and local participation in Oil and Gas insurance and will ultimately foster insurance market penetration and development. It will enable local retention of premium to increase by up to 50% and a reduction in insurance capital flight by up to 80% and ensure local capacity is fully utilized prior to approving overseas placement. A stakeholder's seminar on Local Content Act was held in 2010 and further to that, guidelines for Oil & Gas Insurance has now been released to the industry.

TRAINING AND RETENTION OF QUALITY STAFF

In line with our functions to regulate and set standards for the insurance industry, NAICOM is committed to developing technical and regulatory skills amongst its staff and it continues to offer a competitive employee remuneration package to ensure that high quality staff are maintained and retained. A restructuring effort was carried out in 2008 which saw a number of staff relieved of their duties while a recruitment drive took place to attract quality staff from industry into the Commission. NAICOM has introduced a targeted learning and development programme for all employees. This is focussed on building on the skill sets of employees and continuing professional development.

INSURANCE LAW REVIEW

Our mandate to set standards for the conduct of insurance business is delivered through our work of recent involvement in the review of the Insurance law which is now in the process of enactment.

ENHANCED CORPORATE GOVERNANCE AND GUIDELINES

In 2009 the Code of Good Corporate Governance in the insurance industry was issued. NAICOM has regularly reviewed its Policy guidelines to insurance operators in line with changing business environment.

RELATIONSHIP WITH OTHER REGULATORS

One of our statutory functions is to liaise with statutory bodies and other Government agencies on all matters relating to insurance; one of the ways we address this is by placing a high value on engagement with other regulatory and enforcement agencies. NAICOM has established relationships with other regulators such as the CBN, PENCOM, SEC via the Financial Services Regulation Coordinating Committee and the FSS2020 initiatives. We continue to support closely the FSS2020 initiative which is an aggregation of strategic plans of regulators and other government financial institutions to foster financial sector reform.

INDUSTRY TRAINING

NAICOM engages in consultations and dialogue with insurance operators via the Trade Associations like NIA, PRAN, NCRIB and ILAN. NAICOM has conducted industry training for Directors, Relationship Managers and Compliance Officer.

INTERNATIONAL BEST PRACTICE

NAICOM has been participating through membership of various international standard-setting bodies such as IAIS, IFRS AIO. IFRS will allow less effort and time in the assessment of financial reports, allow more recognition for the financials of Nigerian insurers and ensure that all insurance operators are compliant with international financial reporting standards. This helps NAICOM to remain a credible and respected regulator which is in good standing with other members of international organisations and NAICOM will seek to continue to benchmark its rules, laws and regulatory approach against international best practices standards.

NEW MODERN OFFICE PREMISES

To effectively carry out our mandate of regulating insurance business, NAICOM has made a considerable achievement in the successful acquisition of a new office building in Garki, Abuja to accommodate its staff with a wide range of services, facilities and modern technology for staff and visitors.

CONSUMER PROTECTION VIA COMPLAINTS HANDLING

To fulfil our objective to protect insurance policyholders we have in place a Complaints Bureau which in 2009, settled a total of 106 complaints, involving N822m. In 2010, the Bureau settled a total of 337 complaints, amounting to N1.006b.

INSPECTION OF INSURANCE INSTITUTIONS

On-site inspections were conducted, supplemented by off-site supervision. The inspection covers issues like solvency, corporate governance, internal controls, claims, underwriting, record keeping, investment, systems and procedures, reinsurance arrangements, subsidiaries activities, anti money laundering and compliance with rules and regulations. The results are communicated to the company's executives and Board who commit to undertake specific remedial actions by specified dates.

PROJECT E-REGULATION

Contract has been awarded and supplies and installation awaited for a messaging and collaboration Solution, for computers, printers, scanners End-User infrastructure in place for 150 staff. There would be a data centre and local area network to safeguard the Commission's data and ensure interconnectivity of zonal offices with HQ facilitate communication and collaboration through the full exploitation of relevant information technology capabilities and empower staff with computer systems and accessory required for the effective performance of their work.

In addition to the above, the following table also highlights status on the other initiatives outlined in the 2008-2010 corporate plan:

Initiatives	Status
<i>Internally Focused</i>	
Diversification of Board Composition	Achieved
Review of procedures Manuals	Ongoing
Website update	Achieved
Strengthen insurance solvency	Ongoing
<i>Market Focused</i>	
Optimum Risk Retention	Ongoing
Facilitate the emergence of the operation of insurance pool by market operators	Ongoing

Achieve greater Insurance enlightenment and financial education	Ongoing
Introduce Insurance into school curricula	Deferred
Hold National insurance educational conference	Deferred
<i>Completed initiative under 2011- 1013 plan</i>	
MDRI Awareness campaign conducted in several states	Completed
Diagnostic Study on Micro Insurance Conducted in 11 states	Completed
Shareholder workshop on Micro Insurance	Completed
Government Assets insurance Workshop	Completed
Anti Money laundering Regulatory Framework Reviewed	Completed
IFRS adoption in the insurance sector	Completed
Risk Management Guideline for insurers Issued	Completed
International Best Practice Assessment IAIS FSAP ICP	Completed
Completion of stage 1 of Project E-regulation - IT capability	Completed
Legislators/ Executives sensitization program on Insurance Bill	Completed
Training need analysis program for staff	Completed
Recruitment of TOP management staff	Completed
NAICOM House Building	Completed

7. SWOT ANALYSIS

After a rigorous analysis of our internal and external context, we have identified the following as our strengths, weaknesses, opportunities and threats. These factors will form a key basis for our planning efforts in the coming planning cycle.

STRENGTHS

- Powers guaranteed by statute
- Commitment from an Effective Board
- Professionally qualified and effective staff
- Motivated and dedicated staff

WEAKNESSES

- Succession and manpower planning
- Collaboration amongst different operating and functional areas.
- Performance management and progress measurement.

OPPORTUNITIES

- Insurance market development potentials
- Synergy with other local regulators
- Membership of IAIS and other international insurance associations
- Political and government support and goodwill

- Assurance of attention to Legal framework

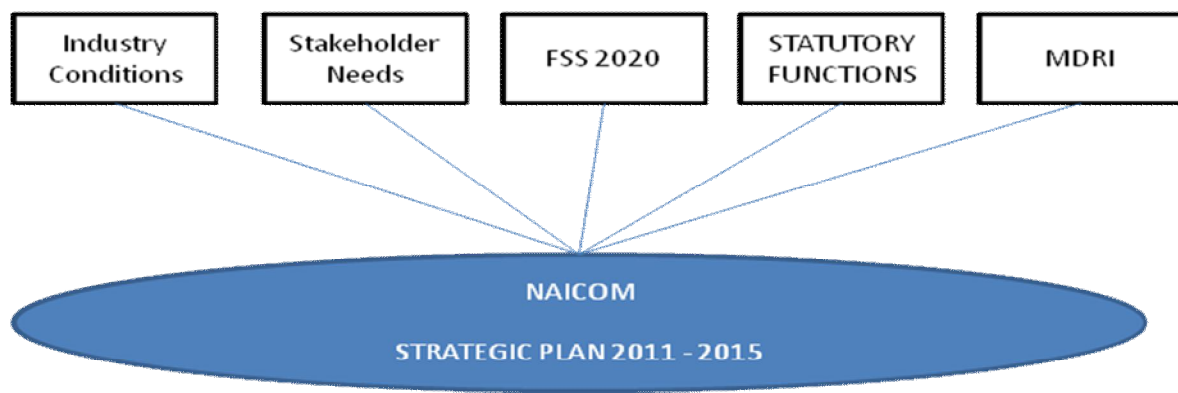
THREATS

- Restrictive and prescriptive insurance legislation
- Weak Insurance operators
- Poor compliance culture
- Inadequate legislative and legal framework
- Stakeholder perception of NAICOM as a regulator.
- Public resistance to insurance

8. 2011 – 2015 STRATEGY FRAMEWORK

The Commission's 2011-2015 strategic plan has been developed taking into account a number of factors described below:

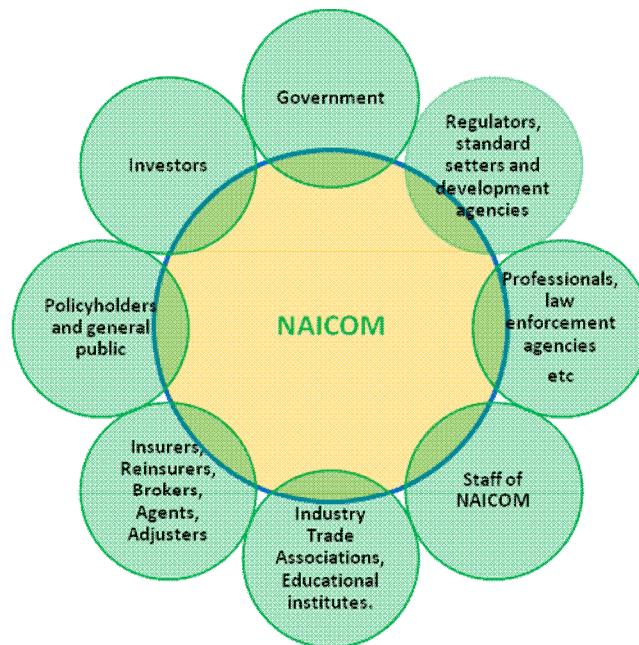
- **Industry Conditions:** The insurance industry dynamics and expected future operating environment
- **Stakeholder Needs:** An assessment of the needs of the various classes of stakeholders
- **FSS 2020:** The overall roadmap for the Nigerian Financial Services industry as jointly developed by industry regulators and operators.
- **Our Statutory Functions:** The mandatory functions defined for NAICOM by law
- **MDRI:** The special programme developed by the commission to enforce public compliance with 6 compulsory insurance products.



STAKEHOLDER NEEDS ANALYSIS

Stakeholders are those who have an interest in NAICOM and whose interest can have a positive or negative impact on NAICOM. This strategic plan has been developed taking into account the expectations, needs and concerns of NAICOM’s direct external and internal stakeholders and is being communicated to all staff of NAICOM so that they understand their contributory role in realising the strategic goals.

Stakeholder analysis



An exercise was conducted to identify the expectations of the various stakeholders and the outcome which formed a significant base for is presented below:

Stakeholder	Expectations
Government	Increased contribution to the GDP Efficient use of financial resources for high standard in the industry.
Staff	A conducive working environment with adequate tools, skills and recognition for carrying on their duties.
Policyholders and insuring public	Prompt payment of claims
Trade associations and institutes	Support for activities and consultation on rules.
Local and international regulators	Joint coordination of regulatory activities.
Insurers, Reinsurers and Brokers, Agents, adjusters	Unbiased application of rules to facilitate the bringing of products and services to a competitive market.
Investors	Transparency for efficient capital investment.
Lawyers, Auditors, Actuaries, Police, Consultants	Efficient regulatory process.

9. STRATEGIC GOALS AND OBJECTIVES

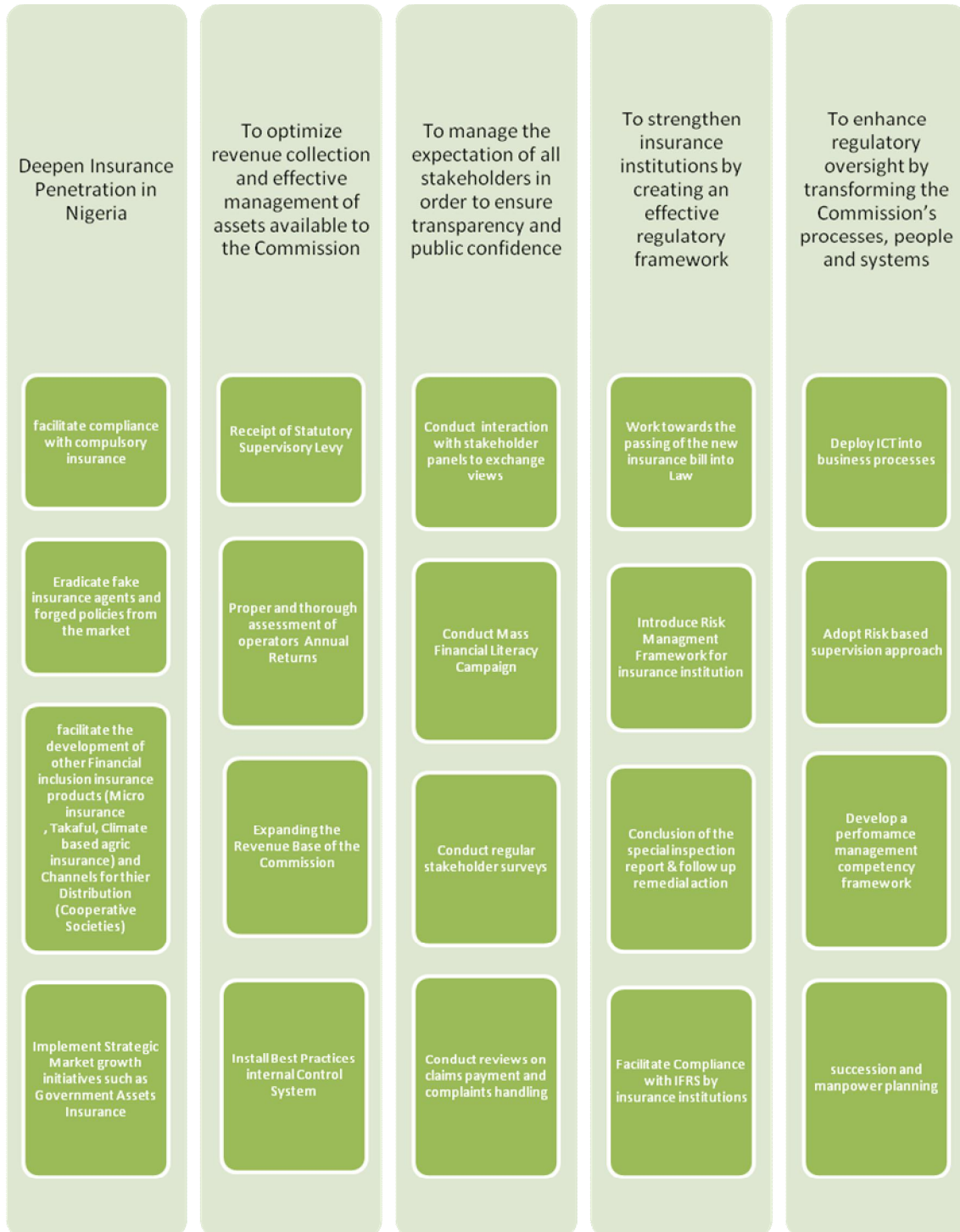
Drawing from the strategy development framework developed, NAICOM has identified five strategic goals to drive its activities over the course of the next three ó five years. .

STRATEGIC GOALS

- 1. To strengthen insurance institutions by creating an effective regulatory framework.**
- 2. To enhance regulatory oversight by transforming the Commission's processes, people and systems.**
- 3. To manage the expectation of all stakeholders in order to ensure transparency and public confidence.**
- 4. To facilitate deeper market penetration in the insurance industry.**
- 5. To optimize revenue generation and effectively manage available resources.**

Each of these goals have also been further drilled down into strategic objectives that the commission will focus on implementing strategies to achieve.

Strategic Goals and Strategic Objectives



STRATEGIC GOAL 1 – To Deepen Insurance Penetration in Nigeria

Initiatives	Management Action	Desired Result	Target Date	Comments
Enforce compliance with compulsory insurance	Launch compulsory insurance products across the geo-political zones.	Full adherence to compulsory insurance requirements	Q3 2013	Work with law enforcement agencies and state government
	Collaboration agreements with several agencies to facilitate compliance with compulsory Insurance		Q4 2013	
Eradicate fake insurance agents and forged policies from the market	Actively investigate, arrest, and refer for prosecution those who sell fake policies. I	Use an anti-fake insurance outreach and training to the public, private and governmental sectors.	Q4 2013	Outstation specially trained staff at licensing offices to gather vital data.
Facilitate the development of other Financial inclusion Insurance Products (Micro insurance, Takaful, Climate based agric insurance) and Channels for their Distribution (Cooperative Societies)	Actively promote the emergence and rapid uptake of new classes of insurance in Nigeria	Introduction of new products and services by insurance companies	Q3 2013	
	issue guidelines regulatory and supervisory framework on Micro insurance		Q3 2013	
	Licence Agents to sell Micro Insurance		Q3 2013	
	Conduct literacy campaign on Micro Insurance.		Q3 2013	

Implement Strategic Market growth initiatives	Conduct workshops with MDAs to discuss claims process on strategic Government assets.	Ensure adequate protection of government assets.	Q3 2013	
	Issue Code of Market Conduct		Q3 2013	
	Guideline on Prompt claims payment and premium remittance		Q3 2013	

STRATEGIC GOAL 2: To optimize revenue collection and effective management of Resources

Initiatives	Management Action	Desired Result	Target	Comments
Receipt of Statutory Supervisory Levy prior to approval of Annual Returns	Conduct a systems information update for accuracy to raise levies.	To enable NAICOM to Enhance its revenue.	100% correspondence by Q2 2013	Utilise insurance companies data to better indentify brokers undisclosed commission and additional premiums in policy endorsement
Expanding the Revenue Base of the Commission	Develop and implement a plan for identifying new sources of income.	Access to additional funds for NAICOM's operation.	Develop and implement plan by Q1 2013.	
Install Best practices Internal control System	Set up a system to control expenditures and reports on authorised and unauthorised expenditures	Greater effectiveness in the management of expenditure.	At least 90% of expenditure is authorised by Q4 2013.	

STRATEGIC GOAL 3: TO STRENGTHEN INSURANCE INSTITUTIONS

Initiatives	Management Action	Desired Result	Target	Comments
Work towards the passing of the new Insurance bill into Law	Effective stakeholder engagement and legislative engagement	Passage of new bill into law.	Q2 2015	Draft Bill is pending.
Introduce Risk Management Framework for insurance Institution	Issue guidelines on Risk Management. Request risk management framework from companies.	Insurance companies maintaining capital in line with the level of risk carried.	Q2 2015	
Facilitate Compliance with IFRS by Insurance Institutions	Implement IFRS into the insurance industry.	Achieve international standard in financial reporting	Q2 2013	Transition of the Insurance Industry to IFRS
Conclusion of the special inspection report & follow up remedial action		Resolution of all post inspection issues with insurers	Q2 2013	

STRATEGIC GOAL 4: To enhance NAICOM's Regulatory Capacity.

Initiatives	Management Action	Desired Result	Target	Comments
Adopt Risk based supervision approach	Roll out a Risk Matrix and a criteria and triggers for selecting insurance operators for inspection.	Supervision that is directly addressing operators that poses greater risk to regulatory objectives.	Q1 2015	These initiatives will help capture, understand and respond to regulatory risks.
	Sign MOU with other international regulators		Q3 2013	
	Adopt Consolidated Group supervision		Q3 2013	
	Opening of More Zonal offices as needed around the country		Q3 2013	
Appropriate deployment of ICT	Approve and implement IT strategy and plan.	Enhanced internal effectiveness and Service delivery Technology-driven regulatory environment. Readily available Information on insurance industry transactions.	Q4 2015	Need to implement a logical, robust and resilient IT Architecture platform.
	Conduct a business process re-engineering.			
	Set up industry portal for gathering and analyzing market data.		Q4 2015	
	Completion of Project e-regulation.		Q3 2015	
	Electronic document management.		Q4 2013	
Enhance the Performance Management System	Introduce new employee Performance Management system.	Creating a work environment in which employees can excel and have skilled and talented staff	Q3 2013	Competency model will provide objective and standard criteria for recruitment & training. Build leadership Capacity
	Implement a leadership development programme.	Create a pool of potential future talented leaders.	Q3 2013	

	Achieve target of 75 training hours per staff			
Development of Competency profile for jobs in the Commission	Detailed competency requirements for each job	Clarity of roles and requirements	Q3 2013	
	Fill critical vacant positions arising from staff review		Q3 2013	

STRATEGIC GOAL 5: Effective Management of Stakeholders’

Expectations.

Initiatives	Management Action	Desired Result	Target Date	Comments
Conduct interaction and stakeholder panels to exchange views.	Annually prepare a comprehensive industry and stakeholder based engagement plan.	Increase in level of information available to and received from stakeholders	Q3 2013	Communicate to stakeholders to provide knowledge and guidance.
Conduct regular stakeholder survey	Use survey to understand stakeholder perception . Including MDRI	Informed consumers	Q2 2013	
Conduct Mass financial literacy campaign	Events to promote the benefit of insurance to various segments of the population	Informed consumers	Q2 2013	
Conduct reviews on claims payment and complaints handling	Develop a consumer education strategy. Conduct reviews on claims management practices	Informed consumers that have trust and confidence in the industry.	Q2 2015	Informed consumers are less prone to falling victim to scams.

Drawing from the strategic objectives identified above, the following have been identified as the key priorities of the commission for 2013

	Activities	Responsibility
1.	Initiate collaborative arrangement with other agencies to facilitate compliance with compulsory Insurance	Authorization &Policy
2.	Issues guideline and regulatory framework for Micro Insurance	Authorization &Policy
3.	Licence agents to sell micro insurance products	Authorization &Policy
4.	Issues guideline and regulatory framework for Takaful	Authorization &Policy
5.	Inspect companies for compliance with Risk Management Guideline	Inspectorate
6.	Issue Code of Market Conduct	Inspectorate/Authorization & Policy
7.	Conduct reviews on claims and complaint management practices	Inspectorate
8.	Fill critical vacant job roles ó (e.g qualified Actuary)	Admin & HR/ Inspectorate
9.	Facilitate compliance with IFRS by insurance institutions	Supervision
10.	Open new Zonal offices	Admin & HR
11.	Sign MOU with other foreign regulators	Legal
12.	Facilitate insurance of government assets	Authorisation & Policy
13.	Conduct Public Survey and evaluation on MDRI (Public perception)	Research/Corporate Affairs
14.	Work towards the passage of the new insurance Bill into Law	Legal/Management
15.	Mass Public Awareness campaign on Insurance	Corporate Affairs
16.	Install best practice internal control system	Internal Audit
17.	Achieve 75 hrs of training for each staff yrly	Admin & HR
18.	Completion of stage 2 of Project E-regulation - IT capability	R,S,IT

DEPARTMENTAL ACTION INITIATIVES

In order to achieve our strategic objectives outlined above, each department in the commission has identified necessary projects and initiatives they will need to undertake:

GOAL	KEY STEPS	MILESTONES	INITIATIVE
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INSPECTORATE

Introduce Risk Management Framework for insurance institution	Draft Risk Management guideline	Date draft guideline reexposed	Set up a Committee on Risk Management guideline
			Organize Risk Management seminar for committee members
			Reexpose draft Risk Management guideline to identified stakeholders
	Industry input	Receipt of industry response within deadline	Organize industry workshop on risk management
Management approval of final Risk Management guideline	Date approved	Committee to review and report industry response for management approval	
Conclusion of the special inspection commenced in 2010	Appointment of consultants	Date consultants are appointed	Establish service level agreement for consultants
			Appoint consultants
			Brief consultants on service level standard
	Submission of inspection report by consultants	Date inspection report received	Emphasize timeliness during briefing on service level standards
	Review of inspection report	Date reviewed report is submitted to management	Establish template for reviews
			First level review to be conducted and concluded not later than 11th Nov
			Management meeting to consider reviewed inspection reports
	Prompt communication of Board's recommendations to companies	Date Board meeting held	Schedule board meeting in advance
			Prepare board papers
			Arrange to communicate board decisions immediately

Conclusion of the special inspection commenced in 2010	Follow up on remedial action	Remedial actions concluded within specified deadline	Monthly report on the status of implementation action on relevant companies
Adopt Risk based supervision approach	Road Map	Date road map released	Set up a Committee to produce Road Map
			Obtain management approval for Road Map
			Issue Road map for stakeholders' information
	Risk Rating Model	Date Risk Rating model released	Appoint consultants to advise on Risk rating model
	Supervision manual	Date supervision manual released	Appoint consultants to draft Risk Based Supervision manual
	Expertise	Completion date for staff training	Determine learning needs of employees
			Plan and implement learning programmes
			Arrange technical support from international agencies
	Pilot Model testing	Date pilot test reported	Plan pilot test
			Execute pilot test
	Information technology enablement	Date IT infrastructure installed	Determine IT requirement of RBS
			Deploy the necessary IT application
	Internal restructuring	Date of restructuring	Reorganise the technical functions to accommodate the requirements of RBS
	Industry readiness	% of insurance companies ready for Risk based as at June 2012	Organise awareness seminar
			Conduct industry review
Readiness of	**	Registration of approved professionals	

	facilitating professionals		Issue circular on expectations from professionals
	Standardization of disclosure requirements	Date all standardization requirements concluded	Update insurance regulations
			Ensure complete implementation of IFRS
			Issue record management guidelines for insurance institutions
Conduct reviews on claims management practices	Claims management standard	Date claims management standard issued	Ascertain claims management practices in insurance companies
			Set up claims management standard committee to prepare draft standard
			Expose draft standard for 30 days
			Update draft and issue final standard
	Effective enforcement of compliance	% of companies complying with claims management standard	Awareness seminar on claims management standard
			Include claims management review in all inspections
		Strictly enforce compliance with claims management standards	
Conduct review on complaints management practices	Complaints management standards	Date complaints management standards issued	Ascertain complaints management practices in insurance companies
			Set up complaints management standard committee to prepare draft standard
			Expose draft standard for 30 days
			Update draft and issue final standard
	Effective enforcement of compliance	% of companies complying with complaints management standard	Awareness seminar on complaints management standard
			Include complaints management review in all inspections
		Strictly enforce compliance with complaints management standards	

AUTHORIZATION & POLICY

GOAL	KEY STEPS	MILESTONES	INITIATIVES
Enforcing Compliance with compulsory Insurance.	Informed Targets	Average percentage of enforcement targets aware of compulsory insurances	<ol style="list-style-type: none"> 1. Integrated promotion of compulsory insurance 2. Survey on level of awareness of enforcement targets 3. tracking of number of demand notices issued by insurance institutions
	Identify the target of enforcement	Enforcement target identified	Determination of categories of targets
		Census of target completed	Obtain data on population of each category of targets
	Access to products	Percentage of Local Government/ Development Areas with Insurance Sales Outlets	<ol style="list-style-type: none"> 1. Sensitize youth corpsers towards a career as insurance agents 2. Encourage operators to open more insurance outlets 3. Bancassurance 4. Utilization of trade association
	Standard enforcement methodology	Enforcement Standard defined	Set up committee to determine the enforcement standard
			Issue the policy on standard enforcement methodology
	Collaboration with the Stakeholders	% of MOUs with identified Stakeholders	Sign MOUs with stakeholders
		% of identified stakeholders taking positive action	Monitor and measure relevant action taken by identified stakeholders
	Collaboration with other enforcement Agencies	% MOUs with identified Enforcement Agencies	Request FSS 2020 PMO to facilitate involvement of enforcement agencies
			Sign MOUs with identified enforcement agencies

		% of identified enforcement agencies taking positive action	Monitor and measure relevant action taken by identified enforcement agencies
Eradicating Unlicensed Insurance Intermediaries	The use of only licenced Intermediaries	% of operators using licenced intermediaries	Continued enforcement of relevant laws and guidelines
	Timely processing of Intermediaries licence	Licence processing time	Issue instructions of new timeline to staff
			Include new processing time in NAICOM's service charter
			Servicom to monitor licence processing time
	Public awareness of genuine Intermediaries	Availability of updated list of intermediaries for public information	Publish updated list of intermediaries on our Website, National dailies on regular basis
Issuance of public notice on availability of current list of licenced intermediaries on our website			
Availability of sufficient Outlets	Percentage of Local Government/ Development Areas with Insurance Sales Outlets	<ol style="list-style-type: none"> 1. Sensitize youth corpsers towards a career as insurance agents 2. Encourage operators to open more insurance outlets 3. Bancassurance 4. Utilization of trade associations 	
Eradicating Fake Insurance policies	Informed members of the public	Average percentage of members of the public aware of genuine insurances	
Collaboration with Law Enforcement Agents	% MOUs with identified Enforcement Agencies	Request FSS 2020 PMO to facilitate involvement of enforcement agencies	
		Sign MOUs with identified enforcement agencies	
	% of identified enforcement agencies taking positive action	Monitor and measure relevant action taken by identified enforcement agencies	

	Trust in Insurance	% of members of the public who have trust in insurance	1. Enforce prompt claims settlement 2. Strengthen the complaint mechanism 3. Publish a name and shame list
Facilitating development of other financial inclusion Products	diagnostic study of market	Diagnostic study report on microinsurance	1. Initiate diagnostic study and monitor progress 2. set up committee to review the report
		Diagnostic study report on takaful	
		Diagnostic study report on climate based insurance	
	Issuance of Guidelines and Policies	Microinsurance	Set up committee to issue guidelines
		Takaful	
		Climate based insurance	
	Regulatory capacity	No. of staff trained on microinsurance	1. Establish and implement training plan 2. Seek out foreign financial and technical assistance
		No. of staff trained on Takaful	
		No. of staff trained on Climate based insurance	
		Existence of a unit on financial inclusion product	Establish the unit
Access to products	Percentage of Local Government/ Development Areas with Insurance Sales Outlets	1. Collaboration with NYSC on using youth corpsers as insurance agents 2. Encourage operators to open more insurance outlets 3. Bancassurance 4. Utilization of trade association	

GOALS ITEMS	kpi objectives	Objective/Target	Basis for Measurement	Data Requested/Sou rce	Weight	Responsibility Owner
Deepen Insurance penetration in Nigeria	100% enforcement of compulsory insurance	5% enforcement of compulsory insurance	increase in no of policies sold by insurance companies	Record of returns 2012 vs 2013	10%	
	100%Reduce incidence of fake insurance agents	50% of eradication of fake insurance agents	reduction in complaints received of fake insurance		10%	
	100% insurance coverage of all igovernment assests	20% insurance coverage of government assets	increase in no of govt assests assured	returns from the insurance companies	10%	
	Drive 100% compliance to Risk management Framework for insurance institutions financial	70% compliance	checklist vs actual	statutory returns	20%	Supervisor
Optimize revenue collections	increase in revenue	20%increase in revenue	prior firgure over current	recievable account of prior year to current	20%	Supervisor / internal auditor
Manage the expectation of all stakeholders in other to ensure transparency and public confidence	100% ethical practice in the insurance industry	50% ethical compliance	20% satisfaction level of customer from the survey report	survey report	10%	
Create effective regulatory framework	Closing all the gaps as identified by ICP requirements	DECEMBER, 2012	CHECKLIST	ICP CHECKLIST	5%	Supervisor / internal auditor
Ehance regulatory oversight by transforming the Commission's process,people and systems.	100% useage of Lotus by employee	Zero	Number of undetected corrective actions	formal notice	10%	Supervisor
Level of competent Employess	Increase knowledge base	Conduct 10 hours of Knowledge sharing sesion monthly	No of identified issues resolve/unresolv ed	.	5%	Supervisor
					100%	

SUPERVISION

GOAL	KEY STEPS	MILESTONES	INITIATIVES
Collection of levy from insurance institutions	Provisional assessments must be sent to insurance institutions	Date provisional assessment sent	
	Actual assessments issued	Days after receipt of audited account	
	Follow up for collection of levy	Days after issuance of actual assessment	
Facilitate compliance with IFRS by insurance institutions	Road Map	Date road map released	Set up a Committee to produce Road Map
			Obtain management approval for Road Map
			Issue Road map for stakeholders' information
	Conversion guidelines	Date conversion guidelines released	Appoint consultants to draft IFRS conversion guideline
	Expertise	Completion date for staff training	Determine learning needs of employees
			Plan and implement learning programmes
	Information technology enablement	Date IT infrastructure installed	Arrange technical support from international agencies
Determine IT requirement of IFRS			
Industry readiness	% of insurance companies ready for IFRS implementation	Deploy the necessary IT application	
		Organise awareness seminar	
Facilitate compliance with IFRS by insurance institutions	Readiness of facilitating professionals	**	Conduct industry readiness review
			Issue circular on expectations from professionals
			Update insurance regulations
Standardization of disclosure requirements	Date all standardization requirements concluded	Ensure complete implementation of IFRS	
		Issue record management guidelines for insurance institutions	

GOALS ITEMS	kpi	Objective /Target	Basis for Measurement	Data Required/ Source	Weight	DVT Rating End of Year	Responsibility Owner	Comment
RISK Based supervision	Application of 100% compliance to Risk management Framework to financial analysis for insurance institutions	70% compliance	checklist vs actual	statutory returns	20%	.	Supervisor	85% Achievement as per the schedule of agreed processes competed / verifiable evidence of completion
							Supervisor	
Development of policies and procedures	Availability of processes and procedural manual	Annual Review	Physical validation	manual itself	10%	Finance Dept	Supervisor	NOT APPLICABLE
Quality analysis of Financial statements issued by Insurance institutions	Zero tolerance for errors	80%	Audited financial statements / review reports	Audited financial statements / review reports	50%	Survey	Supervisor	NOT APPLICABLE
Prompt follow-up-number of compliance issues raised and corrective actions taken	100% of compliance corrective actions which hve been resolved or unresolved	80% correction	No of identified issues resolve/unresolved	Compliance checklist on time frame		100%	Supervisor	No record of Regulatory infraction as per the reports received from Regulatory Affairs and Compliance & Operational Risks
Facilitating compliance with International Financial Reporting Standards (IFRS) by all insurance institutions	Drive 100% compliance to IFRS conversion by insurers	100% conversion	# of Insurers report using IFRS		30%		Supervisor	
Number of competent Employess	increase pool of competent personnel	Conduct 10 hours of Knowledge sharing session monthly					Supervisor	
Effective assessment and timely collections of all levies & fines	100% accuracy and timely collection	approval of annual accounts or 30th of September (which one that comes first)	prior figure over current				Supervisor	

CORPORATE AFFAIRS

GOAL	KEY STEPS	MILESTONES	INITIATIVES	
Conduct interaction & stakeholder panels to exchange views	Existence of communication channels.	Number of media used for interaction	<ol style="list-style-type: none"> 1. Use of bulk sms 2. More use of the website for the dissemination of information 3. Use of social network (Facebook, Twitter e.t.c) 4.Sponsorship of TV/Radio drama 5.Distribution of leaflets/questionnaire to professional bodies at their events such as: NBA conferences; COREN; ICAN; etc 6.Collaboration with other regulators 7. Insurance CEOs quarterly luncheon with CFI 8. Hosting of international conference and seminar 9.Quaterly press briefing 10. Regular interactions with media executives and correspondents 	
	Clear, brief and understandable message to all stakeholders	The number of people who are aware of NAICOM's activities.		
	Identified stakeholders	Percentage increase in the number of stakeholders that respond to insurance messages and activities		
Conduct interaction & stakeholder panels to exchange views	Adequate resources to host major stakeholders' events.	Categories of stakeholders identified		
		Resources allocated/budget provision		
		Volume of traffic to our website		
Conduct Regular Stakeholder Survey (Stakeholders' perception)	Identified population size	Number of survey carried out		Monitoring TV and Newspaper opinion and commentary
	Clear, brief and understandable questionnaires	Number of stakeholders surveyed		
	Adequate resources			

GOALS ITEMS	kpi objectives	Target	Basis for Measurement	Data Requested/Source	Weight	Responsibility Owner
Deepen Insurance penetration in Nigeria	Increase in the volume of business in Insurance companies as a result of awareness campaign	20% Growth volume	prior year vs current year	NAICOM annual report	5%	Supervisor
Manage the expectation of all stakeholders in other to ensure transparency and public confidence	Improved public awareness of the insurance	30% increase in public awareness	independent survey	Prior result from Efina vs current survey	10%	survey result
	% increase of Users of the Commission's website	80% increase in users	website visitor monitoring	website	10%	IT Unit
	Improved quality of service delivery	100% customer satisfaction	internal survey	survey	10%	R & S unit
	Appropriateness of press releases/rejoinders/news review	No exception raised on KPI objectives	Number of exceptions	staff awareness	10%	Data validation team
	Sustainability of brand enhancement	Number of initiatives generated and adopted	Activity report	Plan vs actual	10%	Data validation team
	Positive media relationship to improve the Commission's image	Zero negative press	Number of exceptions	TMC	20%	CFI
Enhance regulatory oversight by transforming the Commission's process, people and systems.	Standardisation and compliance with branding and communication policy across all the directorates	100% compliance	Physical sighting of the policy	Physical sighting of the policy	5%	Internal Audit
	Ensure 100% usage of Lotus for internal communication	100% usage	level of compliance	IT log	10%	
To optimize revenue collection and effective management of assets available to the Commission	Reduction in travel cost and hotel accommodation	25% reduction	rate before discount	Unit cost reduction report	5%	Internal Audit
To strengthen insurance institutions by creating an effective regulatory framework	to ensure 100% clarity of all insurance companies advert	100% clarity	record of complaints to the CFI and rate of rejects from APCON	Adverts released vs complaint received	10%	Supervisor

LEGAL

GOAL	KEY STEPS	MILESTONES	INITIATIVES
Work towards the passage of the new insurance Bill into Law	Proposed bill	Date the final is made	Engage Consultants to facilitate liaison with the National Assembly and key stakeholders.
	FMF to transmit to FEC	Date transmitted to FEC	Creating an effective link with FMF
	transmission from FEC to NAS	Date transmitted to NAS	Establish contact with the Council Secretariat
	Effective mobilization for public hearings	Date the bill passes the 3 rd reading	<ol style="list-style-type: none"> 1. Retreat for MPs 2. Collaboration with other financial regulators 3. Consultative meetings with industry

COMPLAINT BUREAU

GOAL	KEY STEPS	MILESTONES	INITIATIVES
Conduct reviews on claims management practices	Claims management standard	Date claims management standard issued	Ascertain claims management practices in insurance companies
			Set up claims management standard committee to prepare draft standard
			Expose draft standard for 30 days
			Update draft and issue final standard
	Effective enforcement of compliance	% of companies complying with claims management standard	Awareness seminar on claims management standard
			Include claims management review in all inspections
Conduct review on complaints management practices	Complaints management standards	Date complaints management standards issued	Strictly enforce compliance with claims management standards
			Ascertain complaints management practices in insurance companies
			Set up complaints management standard committee to prepare draft standard
			Expose draft standard for 30 days
	Effective enforcement of compliance	% of companies complying with complaints management standard	Update draft and issue final standard
			Awareness seminar on complaints management standard
Effective enforcement of compliance	% of companies complying with complaints management standard	Include complaints management review in all inspections	
		Strictly enforce compliance with complaints management standards	

INTERNAL AUDIT

KEY STEPS	MILESTONES	INITIATIVES
Up to date and adequate Policies and procedure	Date such are in place in place	Appropriate unit Compilation of complete policy and procedural manual
Job description showing segregation of duties		To align with HR
Up to date and adequate Operational manual		Systems documentation of all operations and job allocation as appropriate
Up to date and adequate financial regulation		
Compilation of an Audit Manual for all operations of the Commission		
Adequate Human capital	No of staff to execute annual audit programme	Additional staff (3nos) to join the Unit
Effective Internal communication		Timely notification of Internal Audit of evolved policies

GOALS ITEMS	kpi objectives	Target	Basis for Measurement	Data Requested/Source	Weight	Responsibility Owner
Enhance regulatory oversight by transforming the Commission's process, people and systems.	Drive policy compliance/rating across the Commission	100% policy compliance/rating across the Commission	Compliance report	Process audit report	30%	Data validation team
	Audit Coverage plan-	100% implementation of Audit Calendar # of complaints	Plan vs actual	Workplan	20%	Data validation team
	Audit rating for the unit	100% audit rating	External auditors report	External auditors report	5%	TMC/Board Audit Committee
	Usage of Lotus	100% usage	IT report	IT report	5%	IT Unit
	Ensure 100% compliance with applicable laws	100%) compliance with applicable laws no infractions	External auditors report	External auditors report	5%	TMC/Board Audit Committee
To optimize revenue collection and effective management of assets available to the Commission	Ensure updated processes and Procedural manual	100%	Plan vs actual	Actual manual	10%	Data validation team
	Institute effective internal control system in the commission and Strict Internal Regulation Enforcement	Zero (high risk/significant) control issues detected by stakeholders, not initially identified by Internal Audit	Number lapses recorded in current year vs prior year	Audit report	10%	TMC/Board Audit Committee
	Reliability of financial report	100% reliability, no exception raised	External auditors report	External auditors report	10%	Board Audit Committee
	Reduce fraud losses from prior year	ZERO FRAUD	cases of fraud from previous year vs current year	Fraud data	5%	Data validation team

CORPORATE STRATEGY

GOAL	KEY STEPS	MILESTONES	INITIATIVES	
Conduct interaction & stakeholder panels to exchange views	Define communication channels.	Number of media used for interaction	<ol style="list-style-type: none"> 1. Use of bulk sms 2. More use of the website for the dissemination of information 3. Use of social network (Facebook, Twitter e.t.c) 4.Sponsorship of TV/Radio drama 5.Distribution of leaflets/questionnaire to professional bodies at their events such as: NBA conferences; COREN; ICAN; etc 6.Collaboration with other regulators 7. Insurance CEOs quarterly luncheon with CFI 8. Hosting of international conference and seminar 9.Quaterly press briefing 10. Regular interactions with media executives and correspondents 	
	Define Clear, brief and understandable message to all stakeholders	The number of people who are aware of NAICOM's activities.		
	Identify stakeholders	Percentage increase in the number of stakeholders that respond to insurance messages and activities		
	Provide adequate resources to host major stakeholders' events.	Categories of stakeholders identified		Resources allocated/budget provision
				Volume of traffic to our website

GOALS ITEMS	kpi objectives	Target	Basis for Measurement	Data Requested/Source	Weight	Responsibility Owner
To enhance regulatory oversight by transforming the Commission's people, processes and systems.	100% achievement of the commission's critical strategic objectives for FY'2013	100% achievement	Plan vs Achievement	NAICOM annual report	10%	Data validation team
	Aggressive drive of all directorates' strategic work plan/ICP GAPS ensuring TAT are met	100% TAT management/resolutions within TAT	Plan vs Achievement/zero ICP gaps	Periodic status report/ICP assessment	10%	Data validation team
	Up to date corporate strategic plan in line with current market reality to bring about growth plan	Timely updates of the Commission Strategy in line with prevalent trends.	Quarterly review	Previous Strategic Plan vs Current plan	20%	TMC/Data validation team
To manage the expectation of all stakeholders in order to ensure transparency and public confidence.	100% Successful implementation of all planned strategic Stakeholders engagement for the FY - Assessment on quality, timeliness and value, timely rendition of report to FSS 2020 & FMF	100% delivery				
			Plan vs actual	workplan	20%	Data validation team
Transforming the Commission's people processes & systems	Effective monitoring system that measures the implementation of the operating and strategic plan	100% implementation	Existence of the system	review of the system in place	10%	Data validation team
	100% alignment of KPIs to NAICOM strategic plan	Having KPI for all directorates that is aligned to	100% level of alignment	Directorates KPI	10%	Data validation team

		the Commission's strategic plan				
	Benefits realized as per strategy formulation and stakeholders engagements	% increase in the number of benefits	prior vs current	Actual benefits	20%	Data validation team

FINANCE AND ACCOUNT - BUDGET UNIT

KEY STEPS	MILESTONES	INITIATIVES
Timely response from Directorates and Units	Degree of compliance	Timely issuance of budget call circular by Finance and Accounts Directorate
Adherence to policy		Enforce compliance with policy
Availability of Final Trial balance and other relevant information	Submission of the trial ir of provision of info by Directors	
As at when due	To avoid late payment	To make retirees get their payments on time
Access to all payment vouchers and schedule of deductions	Proper filing of PVs	
Schedule of deductions /staff PFA's details	Prompt remittance	
Schedule of deductions	Completeness of pension records	
Requisition booklets/Bin cards/SRV/SIV	Up to date store records/Degree of service delivery	Service level agreement/monitoring & supervision of store active/Vendor retainership

FINANCE AND ACCOUNT - INVESTMENT UNIT

KEY STEPS	MILESTONES	INITIATIVES
Standardization of policy for allocation of funds	Completeness of records	Separate bank accounts for collections
Compliance with the policy	Degree of compliance with the policy	
Investment competency	Percentage of employees with investment competence	Dedicate 3 bank accounts for funds
Knowledge of the financial system and other macro-economic indices	No loss of funds due to collapsed institutions or bad investment decisions	
Standardization of policy for allocation of funds	Benchmark/Percentage of interest income to amount invested	
Compliance with the policy		
Investment competency		

FINANCE AND ACCOUNT - FINANCE UNIT

KEY STEPS	MILESTONES	INITIATIVES
Preparation of Payment Voucher	Preparation Time	Skill Development
Response From Audit	Response Time	Service Level Charter
Availability of Payee's Bank Details	No. of approved files without Bank Details	Issuance of procedures for payment
Availability of funds	%age of pyt mandate without funding	
Pyt Mandate (E-Pyt schedule)	%age of Errors	Skills Development
		Superior Review
Issuance of Receipts	%age Receipt issued & Dispatched	Close Monitoring & Supervision
Recording of Receipts	%age of Receipts recorded	Regular Reconciliation

FINANCE AND ACCOUNT - ACCOUNT UNIT

KEY STEPS	MILESTONES	INITIATIVES
Cash Books	Daily update of Payment Mandate. Issuance of Receipt. Remittances from Zonal Offices	Immediate receipt of E-payment soft copies and vouchers on return from bank.
	Issuance of Receipt	Ensure immediate collection of receipts & e-payment.
	Accuracy of receipt issued	
	Remittances from Zonal Offices	Issuance of guideline on remittances. Skills Development
	Regular Receipt of Bank Statements	Instruction to Banks to Furnish the commission with its Statements every 7days.
Journals	Level of Completeness	Enforce Reporting Deadlines for Zonal offices. Instruction to Banks to Provide weekly Statement
	Level of Accuracy	Skill Development Superior Review of Entry
General Ledger	Extraction of Trial balance	Monitoring Superior Review

ADMIN AND HUMAN RESOURCES

GOAL	KEY STEPS	MILESTONES	INITIATIVES
Install Best Practices, Internal Control	Alignment With Best Practise	Conformity with Best Practice	Benchmarking regulatory institutions locally and internationally
	Design internal control system	An internal control system	Set up a committee to compile all policies
			Appoint a consultant to advise
	Management Commitment	Management support	Acceptance of proposals by management
	Employee Knowledge of Internal Control	% of employees who understand internal control	Inform the employees of policies through intranet and other means
			Train employee on internal control measures
Implementation of Internal Control	% compliance by employees	Application of sanctions for non-compliance	
Enhance the performance management system	A review of existing performance management system	Review of report on existing system	Set up committee to review the existing system
	Determined improvements required	Identified gaps	Itemize the improvements required
	Robust performance management system	Performance management system	Appoint a consultant
	Implementation of new performance system	Motivated employees	Review consultants report and implement
Development of competency profile for jobs in the Commission	Defined job description	Level of employee awareness of the job description	Compilation of job description of all staff by HODs
	Job analysis/ Job profile	Compiled Report	Appoint a consultant
	Application of competency profiling in the Commission	Enhanced performance	Review and implement consultant's report

Objective/Target	Basis for Measurement	Data Required/Source	Weight	DVT Rating End of Year	Responsibility Owner	Comment
100% resourcing of specialised skills	Manpower plan versus actual	Manpower planning	10%		Data validation team (DVT)	85% Achievement as per the schedule of agreed processes completed / verifiable evidence of completion
70% employee's performance appraisal score	Benchmark - NAICOM Target for the specialized skills vs appraisal score	Employee's target & Job description	10%		Data validation team (DVT)	
3 additional Zonal offices within the next 12 months, adequately staffed and resourced.	The number of zonal offices operating	Audited financial statements / review reports	5%	Survey	Supervisor	NOT APPLICABLE
100% compliance	Audit rating of physical documented internal controls of HR policies and procedures and enforcement-minimum of 60% of audit rating	Physical Admin. & HR processes	5%	100%	Audit Rating	No record of Regulatory infraction as per the reports received from Regulatory Affairs and Compliance & Operational Risks
Reduce frequency of replacement of purchased items	Set life span standard for all purchased items	Assets Register-list of all assets, lifespan, warranties vs assets functionality assessment.	20%		DCFI(F&A)/ Audit Staff	
100% implementation of the procurement plan	Procurement Plan					
Request and completion date	Delivery Date				SERVICOM	
80% employee satisfaction	Prior satisfaction level vs current satisfaction	Employee satisfaction survey	10%		Research & Statistics	
12 months	Completion	Industry competency model	20%		DCFI (F&A)	
100% implementation of performance management framework for NAICOM (KPI reviews and performance appraisal)	Number/timeliness of employee assessment	FY Calendar for PM implementation vs nominal list	20%		DVT	

100% completion	Completion rate	Nominal Roll	10%		DVT	
100% automation of Admin. & HR processes	Completion rate	Degree of automation of Admin. & HR processes	10%		DVT	
Percentage of suitable employees' identified and trained to assume key positions as successors/other key talent management initiatives	List of critical roles, identified successors for those roles and training effort to bridge the gaps	identified critical roles with successors and training implemented to bridge the gaps	10%		DVT	
Develop processes and procedural manual for management services with SLA	80% audit rating	Process manual	10%		Audit rating	
Develop processes and procedural manual for management services with SLA	80% audit rating	Process manual	10%		Audit rating	
To achieve optimal manning level for all directorate to reduce surplus and shortage/appropriate placement of employee with scheme of service	provide manpower plan vs manning level for each Directorate	Manpower plan	10%		DCFI (F&A)	

RESEARCH AND PUBLICATIONS UNIT

GOAL	KEY STEPS	MILESTONES	INITIATIVES
Publication of Quarterly Research Journal ðNAICOM WATCHö	<p>a) Availability of CFI / Directorates/ Lagos Control and Zonal Offices Quarterly activities reports and Research Article.</p> <p>b) Upon Management's commitment to Research Unit and its publications,</p> <p>c) Upon prompt Budgetary approval,</p> <p>d) Availability of working Research Tools.</p>	<p>a) Date Activities Reports are submitted</p> <p>b) Analyzed</p> <p>c) Vetted</p> <p>d) Draft Copy</p> <p>e) Final print</p>	<p>a) Activity reports ready for Research Unit, on or before 15 May.</p> <p>b) Issue new dead-line</p> <p>c) Activity reports to be compiled, proof read and edited for inclusion in Research journal publication in May.</p>
ðResearch Surveys Questionnaires Generation for the Insurance Industry quarterly research reports.	<p>a) Availability of support from Management</p> <p>b) Timely provision of funds and working tools</p>	<p>a) Management of timely approval is received for research survey work</p> <p>b) Date Research work Is administered</p>	<p>a) Generate Surveys for targeted groups</p> <p>b) Carry out Focus Group Discussions</p> <p>c) Administer questionnaires on industry players</p> <p>d) Oral interviews at AGM's</p> <p>e) Analysis</p> <p>f) Report</p>
Publication of Annual Research Journal ðNAICOM FACTBOOKö.	<p>a) Availability of annual major activity reports from CFI/Directorates/State Offices and relevant sister agencies.</p> <p>b) Availability of approval for research field-work for attendance of Insurance companies AGM's, workshops and major insurance events to source for current and relevant insurance industry research data/reports.</p>	<p>a) Date complete activity reports are issued and received.</p> <p>b) Date approval is sort and received c) Research is carried out.</p> <p>d) Number of items included.</p> <p>f) Prompt printing by administration</p>	<p>a) Liaise with relevant departments for necessary inputs</p> <p>b) Undertake further research</p> <p>c) Complete reports for vetting and printing</p>

STATISTICS

GOAL	KEY STEPS	MILESTONES	INITIATIVES
Publication of Annual Report not later than 30 September Annually	Availability of NAICOM's Financial Statements	Date NAICOM financial Statement Issued	Financials ready for Audit Mid Feb. Audited report not later than 15 March Board Approval Not later than 30th March
	Availability of Department report	Date Departmental Issued	Issue new deadline
	Availability of industry statistics	Date Complete Industry Statistic Ready	Issue circular on the criticality of the submission as per deadline and impose penalty for non compliance
			Institute review process to ensure dependable accounting system by Operators
			Use supervisory cooperation to verify reason attributable to their delayed submission of account by group entities with overseas investments.
	Availability of chairman's Statement	Date Chairman's statement ready	Issue new deadline
Availability of CFI's report	Date CFI's Report ready	Issue new deadline	
Publication of Industry Statistic	Availability of industry statistics	Date Complete Industry Statistic Ready	Issue circular

INFORMATION TECHNOLOGY UNIT

GOAL	KEY STEPS	MILESTONES	INITIATIVES
To automate NAICOM's core Processes	Commitment Of Management	Date Plan Approved	
	well developed requirement specification	1. Date Advert placed	1. Engage the Min of Finance ERGP PET to get 'no objections' from the World Bank on time
		2. Date World Bank Procurement Process Concluded	
	well developed IT specification	Date TO-BE Report Submitted	1. Organize AS-IS Workshop to Map our processes 2. Work with the vendor to produce the TO-BE of our processes
	funding	World Bank Approval of Procurement Plan	1. Organize regular meetings with User Department 2. Develop a change management plan
	competence consultant	1.Date New Broker registration Process automated	
		2. Date New Insurer Registration Process automated	
		3. Date Attestation process automation	
		4. Date License renewal process automated	
		5. Levy Assessment automated	
6.Date Onsite Inspection Process automated			
Commitment of User Department	% of staff of user department Involved		
employee ability to run the systems	Date Training Organized	1. Develop and implement training plan 2. Monitor and measure the impact of training conducted	
	% of end users able to use the solution without supervision 2 months after the deployment		

	Adequate post implement IT	No of Downtime reported	<ol style="list-style-type: none"> 1. Develop and implement training plan 2. Monitor and measure the impact of training conducted 3. Develop Support Plan. 4. Sign an SLA with Vendor
GOAL	KEY STEPS	MILESTONES	INITIATIVES
To automate NAICOM's Support Processes	Commitment Of Management	Date Plan approved	
	well developed requirement specification	Date World Bank Procurement Process concluded	1. Engage the Min of Finance ERGP PET to get 'no objections' from the World Bank on time
	well developed IT specification	Date Process Review Workshop organized	2. Engage A&HR and F&A directorate
		Process Review Report Submitted	3. Set Timelines for Vendor on report submission
	funding	World Bank Approval of Procurement Plan	
	competence consultant	1. Date F&A Processes automated	
		2. Date A&HR Processes automated	
	Commitment of User Department	% of staff of user department Involved	1. Organize regular meetings with User Department 2. Develop a change management plan
	employee ability to run the systems	Training Conducted	<ol style="list-style-type: none"> 1. Develop and implement training plan 2. Monitor and measure the impact of training conducted
Adequate post implement IT	No of Downtime reported	<ol style="list-style-type: none"> 1. Develop and implement training plan 2. Monitor and measure the impact of training conducted 3. Develop Support Plan. 4. Sign an SLA with Vendor 	
To link NAICOM's Head Office with the Zonal	commitment of Management	Plan Approved	
	well developed IT specification	TOR Developed	

Offices	competence consultant	Date Zonal Offices connected to the Head Office	1. Select a well known and experienced ISP
	IT Staff ability to run the systems	Training Conducted	1. Develop and implement training plan 2. Monitor and measure the impact of training conducted 3. Develop Support Plan. 4. Sign an SLA with Vendor
GOAL	KEY STEPS	MILESTONES	INITIATIVES
Computerise Financial Analysis	commitment of Management	Plan Approved	
	well developed requirement specification	Date World Bank Procurement Process concluded	
	well developed IT specification	Date TO-BE Report Submitted	
	funding	World Bank Approval of Procurement Plan	
	competence consultant	1. Date Portal concluded	1. Insist Vendor work strictly with the Timelines set in its Project Management Plan
		2. Date Business Intelligence Concluded	
		3. Date Process Automated	
	Commitment of User Department	% of staff of user department Involved	1. Organize regular meetings with User Department 2. Develop a change management plan
employee ability to run the systems	Training Conducted	1. Develop and implement training plan 2. Monitor and measure the impact of training conducted	
Adequate post implement IT	No of Downtime reported	1. Develop and implement training plan 2. Monitor and measure the impact of training conducted 3. Develop Support Plan. 4. Sign an SLA with Vendor	
To provide effective ICT based communications facilities within the commission	commitment of Management	Plan Approved	
	well developed requirement specification	BPP Process Concluded	
	well developed IT specification	TOR Developed	

	funding			
	competence consultant	1. Messaging and Collaboration implemented		
		2. IP-PBX deployed		
	Commitment of User Department	% of staff using the Solution	1. Develop a change management plan	
	employee ability to run the systems	Training Conducted	1. Develop and implement training plan 2. Monitor and measure the impact of training conducted	
	Adequate post implement IT	No of Downtime reported	1. Develop and implement training plan 2. Monitor and measure the impact of training conducted 3. Develop Support Plan. 4. Sign an SLA with Vendor	
GOAL	KEY STEPS	MILESTONES	INITIATIVES	
To provide integration between NAICOM and all stakeholders using ICT as an enabler	commitment of Management	Date Plan Approved		
	well developed requirement specification	Requirement Gathering Workshop Organized	1. Choose a venue with less distraction for participants	
	well development IT specification	Scope and TOR Developed		
	funding	Budgetary Allocation Approved		
	competence consultant	1. IT Governance Model Developed		
		2. Security Model developed and Implemented		
		3. Integration Engine and Web Services Implemented		
		4. Unique Identifier Database implemented		
		5. Business Activity Reporting Implemented		
6. Industry Portal Built				
	7. Technology Monitoring Implemented			
Commitment of Staff	% of Staff involved in the Project			

	Collaboration of the Insurance Industry	% of Insurance Companies Involved		
	Ability of Stakeholders to use the system	Training Workshop Organized		
	employee ability to run the systems	Training Conducted		
	Adequate post implement IT	No of Downtime reported		
	Informed Members of Public	% of Insurance Consumers aware of the Portal		
GOAL	KEY STEPS	MILESTONES	INITIATIVES	
To provide modern ICT based disaster recovery procedures to protect NAICOM operation and Data	commitment of Management	Plan Approved		
	well developed requirement specification	Date BPP Process Concluded		
	well development IT specification	TOR Developed		
	funding	Budgetary Allocation Approved		
	competence consultant	1. Data Centre Works (Raised Floor, Fire rated walls and False Ceiling) Implemented		
		2. Power Systems and Lighting Installed		
		3. Access Control Installed		
		4. Cooling Systems Installed		
		5. Network and Camera Installed		
		6. Fire Suppression System Installed		
IT Staff ability to run the systems	Training Conducted			

10. ORGANISATIONAL STRUCTURE & POLICIES

NAICOM will implement its corporate strategy through the following directorates and units:

Inspectorate Directorate

- This directorate conducts on-site inspections to insurance institutions to review the processes, procedures, systems and control to confirm their compliance with regulatory requirements. This directorate's role includes assessment of actuarial reports, review of reinsurance treaties, administration of the security fund set aside for victims of uninsured vehicles, exercise of the power of intervention and initiating appointment of liquidators.

Supervision Directorate

- This directorate is responsible for financial analysis and other related off-site examination as well as approval of annual accounts of insurance companies, analysis of all periodic reports which insurance institutions are required to submit. This directorate is also responsible for the assessment and collection of annual insurance levies.

Authorization and Policy Directorate

- This directorate is responsible for assessing applications for license from those seeking to carry on insurance business. Its role includes vetting of the appointment of Chief Executive Officers, approval of new products and approval of new branch offices.

Administration & Human Resources Directorate

- This directorate is responsible for the provision of HR planning, recruitment and selection, performance evaluation and management, developing and implementing HR/Administration policies and procedures, training and manpower development, provision of management services and custodian of assets.

Finance and Accounts Directorate

- This directorate supports the Commission through planning, and budgeting, control and investment management.

Research, Statistics and IT Directorate.

- The directorate is responsible for developing and operating an effective ICT platform for the Commission and for conducting research, compiling statistics and preparing publications.

Other Units

- ***Legal/Board Secretariat Unit*** ó responsible for providing legal and Board Secretariat advice to the Commission.
- ***Complaints Bureau*** ó responsible for resolving complaints from policyholders and disputes over claims settlement.
- ***Corporate Affairs*** ó responsible for press releases and interaction with media to promote the image and brand of the Commission.
- ***Corporate Strategy***- responsible for supporting Top management in the formulation, execution and implementation of strategy and the communication of the strategy to internal and external audiences.
- ***Internal Audit*** ó responsible for providing assurance on governance, risk management and control processes.
- ***Premises Security*** – responsible for security of all facilities of the Commission.
- ***Commissioner’s Office Administration***- responsible for the administration of the Commissioner’s office.

Additional Units necessary to meet Strategic plan

- **Market Development unit** would be needed to meet the plan for market deepening and help facilitate innovation and competitiveness, development of new products, micro insurance launch and delivery of products and services to

consumers óvia the Internet, telephone and agency network. This unit should also focus on developing appropriate responses to developments, including any sudden and unexpected growth in the volume of insurance business, the impact on capital requirements, staff capacity constraints and customer complaints.

Compliance monitoring unit would be needed to follow up on issues identified after financial analysis has been carried out by the Supervision directorate.

CFI

- AUDIT
- COMPLAINT BUREAU
- LEGAL & BOARD SECRETARIAT
- CORPORATE STRATEGY
- CORPORATE AFFAIRS
- SECURITY

DCFI (TECH)

DCFI (F&A)

D (INSPECTORATE)

D (AUTHORIZATION & POLICY)

D (RESEARCH, STATISTICS & IT)

D (SUPERVISION)

D (ADMIN & HR)

D (F&A)

- ACTUARIAL SERVICES
- SECURITY FUND MGT
- INTERVENTION
- EXAMINATIONS
 - EXAM S/LIFE
 - EXAMS/NON-LIFE

- LICENSING
- POLICY & REGULATION
- ENFORCEMENT
- MERGERS & ACQUISITION
- CORPORATE GOVERNANCE

- STATISTICS
- MDRI/PROJECTS
- RESEARCH & PUB
- ICT
 - APPLICATIONS
 - NETWORK COMM.
 - SUPPORT & ADMIN

- FIN ANAL (INS & REINS)
- FIN ANAL (INTERMED)
- LEVY ASSESSMENT
- CREDIT CONTROL

- ADMINISTRATION
 - PROCUREMENT
 - MAINTENANCE
- HUM. RESOURCES
 - HR DEVP'T
 - HR ADMIN
 - ORGANIZATIONAL DEV.

- ACCOUNTING
- BUDGETING
- INVESTMENT

11. CRITICAL SUCCESS FACTORS

The following factors have been identified by the commission as being critical if it is to successfully implement its 2011 ó 2015 strategy as detailed above



IMPLEMENTATION MONITORING FRAMEWORK

During the course of the plan period, the Commission will monitor and evaluate the inputs, activities, outputs and outcomes to ensure that the targets defined are achieved in a timely and efficient manner.

This will be achieved through the use of performance appraisals, score card and the maintenance of a strategy performance monitoring system. Ownership of the strategy monitoring process shall reside with the Corporate Strategy Department and it will work with all other departments to provide any required assistance towards helping implement their strategy.

In addition, the Commission will also incorporate a progress report against the Strategic Plan in its Annual Report which is published every year.