FACTORS AFFECTING THE PERFORMANCE OF LIFE ASSURANCE COMPANIES IN KENYA: A CASE OF OLD MUTUAL ASSURANCE KENYA

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DECLARATION

This is my original work and has never been presented on any University for any academic award.

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This research proposal has been submitted for examination with the approval of the University supervisor.

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ABSTRACT
There are several challenges facing life assurance industry in Kenya. Therefore there is a need for further research to improve the industry performance. The purpose of conducting this study was to assess the factors affecting the performance of life assurance firms in Kenya. The objectives that guided the study were; to investigate how limited market for life assurance products affect O.M.K, to find out how legislation affects O.M.K, to investigate how the cost of life assurance products affect O.M.K and to establish the extent to which hard economic times in Kenya affect O.M.K.

The researcher adopted a descriptive research design, specifically using a quantitative method because a descriptive approach best suited for studies that deal with relationships between variables. The target population comprised of 60 policy holders, 30 life assurance brokers and 10 managers whereas the sample size was 12 policy holders, 24 life assurance brokers and 4 managers. The study used semi-structured questionnaires and interviews where pilot survey study was carried out to test the validity of the instruments.

The data analysis was analyzed using SPSS. This involved data editing, coding, classification and tabulation. The data was represented in tables, bar graphs and pie charts which enabled easy interpretation and understanding. The researcher found that all the four variables namely limited market, legislation, the cost of L.A.P and hard economic times affects the performance of L.A.C, the study therefore recommended introduction of cheap L.A.P, L.A.C to cover the entire east African region and L.A.C through representatives to give their views to the parliament to be considered during enactment of the laws.