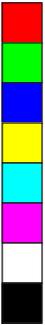
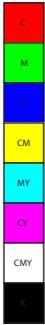




STRATEGIC PLAN

HELB AGENDA 2019-2023



HELB AGENDA 2019-2023 STRATEGIC PLAN PILLARS



MULTI-PURPOSE STATEMENT



Our Mission

To provide sustainable finance to Kenyans pursuing Higher Education through mobilization & prudent management of resources



Our Vision

Universal financing for Kenyans pursuing Higher Education



Our Purpose

Financing your higher education to empower your dreams



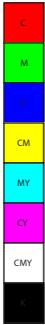
Our Behaviour

- I uphold integrity
- I promote transparency
- I am innovative
- I am proactive
- I am focused
- I give hope



Our Values

1. Integrity
2. Innovative
3. Courtesy
4. Equity



THE HELB BOARD OF DIRECTORS & STRATEGIC PLAN VISION CARRIERS



Hon. Ekwee Ethuro
Chairman



CPA Charles Ringera
CEO & Board Secretary



Mrs. Jacqueline Mugo
Representing Federation of Kenya Employers



Prof. Mumo Kisau
Representing Kenya Association of Private Universities



R. Wambui Kosgei
Independent Member



Prof. Francis Aduol
Representing Kenya Public Universities Association



Dr. Habil Olaka
Representing Kenya Bankers Association



Mr. Charles Maranga
Independent Member



Prof. Mwenda Ntarangwi
Representing Commission for University Education



Ms. Cheryl Majiwa
Alternate to PS, the National Treasury



Mr. Ezra Magati
Alternate to CAS & PS University Education & Research



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LIST OF ABBREVIATIONS

CEO	Chief Executive Officer
CUE	Commission for University Education
CRB	Credit Reference Bureau
DUC	Differentiated Unit Cost
ERP	Enterprise Resource Planning
G.O.K	Government of Kenya
HELB	Higher Education Loans Board
HELF	Higher Education Loans Fund
HOD	Heads of Division/Department
ICT	Information Communication Technology
KUCCPS	Kenya Universities & Colleges Central Placement Service
KRA	Kenya Revenue Authority
MTP	Medium Term Plan
NHIF	National Health Insurance Fund
NSSF	National Social Security Fund
PESTL	Political, Economic, Social, Technological and Legal
SWOT	Strengths, Weaknesses, Opportunities and Threats
SMS	Short Message Service
TVET	Technical, Vocational Educational and Training
USLS	University Students Loans Scheme
UFB	University Funding Board



Hon. Ekwere Ethuro

FOREWORD

As we continue to celebrate the achievements made so far by the Higher Education Loans Board (HELB) of empowering dreams by providing financial intervention to Kenyans pursuing higher education, I wish to recognize the contribution made by all stakeholders in the higher education financing sector. The sector continues to face a couple of challenges but I want to

salute all stakeholders who have in one way or another contributed in these great achievements through focused commitment that has assisted the Board in the great success achieved this far.

As we launch the five year HELB Agenda 2019-2023, the post basic education sector is going through rapid expansion especially in the TVET sector as the government seek the necessary technical skills required to support the achievement of the Big Four government agenda of providing Affordable housing to all Kenyan, Universal health care, Food security and growth in manufacturing. HELB plays an essential role by facilitating all Kenyans enrolled in post basic education institutions through provision of Loans, Bursaries and Scholarships. It is our desire to continue implementing the identified strategies as we continue to effectively fulfill our mandate.

This is in line with the wider Government policy objectives of transforming Kenya into a globally competitive and prosperous nation by year 2030 through development of human capital. The HELB Agenda 2019-2023 was developed through a process of wide consultation with various stakeholders including the students, post basic education institution administrators, employers, HELB Staff, Management and Board of Directors. The plan was documented to capture the four

main areas of concentration in form of the four pillars and the strategic objectives for the next five years (2018/19- 2022/23). We aim to progressively achieve universal funding to Kenyans enrolled in institutions of higher education.

The successful implementation of this strategic plan, demands' on the support from Government of Kenya, the education sector key players and other stakeholders, while HELB will be expected to keep watch on the emerging issues in the education sector, students' needs and technological advancement that will sustain and improve the Board's performance in the next five (5) years of the plan period. I therefore, call upon our stakeholders to continue walking with us on this journey of working towards achieving universal funding to Kenyans enrolled in institutions of higher learning.

I wish to thank all our internal and external stakeholders who have contributed to the development of this strategy, the committed team that spearheaded its development and our staff whose dedication and talent will ensure successful implementation of HELB Agenda 2019 - 2023.

**CHAIRMAN
BOARD OF DIRECTORS**



The 2018 Board & Senior Management Strategic Plan Retreat



CPA Charles Ringera

EXECUTIVE SUMMARY

Historical Perspective

Since independence the Government of Kenya has been financing higher education in form of grants and bursaries granted through the Higher Education Loan Fund. In 1974, loans were added to the stable and were disbursed by Ministry of Education as Loans, Bursaries and Grants. Due to the need to create a sustainable higher financing programme,

the Government established a National Revolving Fund through the establishment of Higher Education Loans Board (HELB) vide an Act of Parliament CAP 213A in 1995. The aim of the Board is to provide competitive financing to all Kenyans pursuing higher education.

The mandate of the Higher Education Loans Board as conceptualized remains:

- a. To source for funds to disburse to Kenyans pursuing Higher Education.
- b. Disburse loans and bursaries to needy Kenyan students pursuing higher education
- c. Recover all outstanding university loans given to Kenyan students since 1974.
- d. Establish a viable and sustainable revolving fund

Higher education within the description of the Kenya Qualification framework includes Universities and Tertiary colleges spread across the country.

In 1991, cost sharing in university education was introduced. The fees for government sponsored student were and still are at a flat rate of Kshs 120,000 with the government financing Kshs 70,000 as grants and the balance of Kshs 50,000 being financed by the student. The loans and bursaries granted by HELB are meant to assist needy Kenyans could not raise the Kshs 50,000 that was payable by the student. The introduction of Differentiated Unit Cost (DUC) model which would

fund universities grants to students according to the cost structure of the discipline they are undertaking was mooted a while ago. The structure fundamentally changes the funding model of Government sponsored students both in Public and Private Institutions with the most costly courses like Medicine and Engineering receiving a higher quantum than those undertaking general humanities and social sciences. This has an implication on the loan and bursary scheme that HELB gives as it will follow the same trend as the Government grants. Currently HELB gives a loan and bursary of between Kshs. 37,000 to Kshs. 60,000 per annum as determined by a Means Testing Criteria (MTI) which is based on economic household income of the applicant that determines the economic vulnerability of the applicant which consequently guides the financial intervention required by HELB.

Since 1974 to, 31st October 2018, the Board has disbursed **Kshs. 89.3 Billion** to 820,042 loanees out of which **436,832** loan accounts worth **Kshs. 52.1Billion** have matured for repayment, while **383,150** loanees holding **Kshs. 37.2 Billion** have not matured. A total of **212,891** loanees have cleared loan repayment valued at **Kshs. 21.2Billion**. Currently **149,309** loan accounts of **Kshs. 23.6Bn** are in repayment while **74,692** records holding **Kshs. 7.2Bn** are in default.

The Strategic Plan (2013 – 2018)

HELB has embraced Strategic Planning as a key performance improvement initiative in enabling successful delivery of its mandate. To execute the strategy, the Kaplan and Stratton model of Balance Score Card (BSC) is deployed to implement the five year strategic plan. The just ended Strategic plan (2013 – 2018) came to a conclusion in June 2018 with admirable results of a very ambitious strategy that the Board was laying a foundation to a journey of moving slowly out of Government Funding dependency through External Resource Mobilization as a key strategic posture.



In 2013, HELB commenced the implementation of five year strategic plan 2013-2018. The pillars that were in this plan were financial suitability, customer service, internal business process re-engineering and institutional capacity and corporate Governance. As at 30th June 2018, when the strategic plan period ended, the plan had been implemented over 80% level with the balance of 20% being items that were ongoing and are expected to be rolled over to the next plan period 2019-2023.

The focus was to create higher education sustainable revolving Fund through sophisticated hybrid partnerships with Counties/Constituencies, Scholarship granting organizations, Corporates, Development Partners, Individuals and sector specific funds. This has been achieved with admirable results that have indeed helped the Board grow its Balance sheet from Kshs. 32Billion in June 2012 to Balance Sheet size of Kshs. 71.2B as at September 2018. The students under funding programme have also grown from 120,000 in 2012/2013 to the current 277,000 with annual student budget growing from Kshs. 5.7Billion to Kshs. 11.2Billion in 2018 while loan recoveries grew from Kshs. 2.7 Billion in 2012 to hit an all-time high of Kshs. 4.9Billion while Exchequer capitation has grown from Kshs. 2.7B to Kshs. 7.44Billion by June 30th 2018.

To serve citizenry better and more conveniently, Branch expansion has grown from zero to the current 24 across the country through Huduma service centers as part of responsible corporate service citizenship whilst increasing staffs that serve our more than 650,000 customers from 120 to the current 285. More products have been launched with the coming on board of more Counties and Constituencies, Corporates and MDAs as key funding partners including penetration and deepening of a new promising frontier of Technical & Vocational Education Training (TVET) funding from a meagre 3,000 students in 2013 to the current over 47,000 with the attendant budget of TVET funding increasing from Kshs. 300Million to over Kshs 1.2Billion by June 2018. To efficiently deliver our services across the breadth and depth of the citizenry, in 2013 the Board embarked on modernization of its core Information Technology and Communication infrastructure towards accelerating service delivery through technology rather than the traditional brick and mortar. Consequently with the launch of an employer's portal, student's portal, HELB Smartcard student's payment solution, an Artificial Intelligence (AI-bots) manned contact Centre and an HELBapp, the Board is on course to actualizing a completely virtual Student Bank in the next planning period which promises 24/7 service delivery. The Board has continued to pursue a customer centric strategy that consistently exceeds our customer's expectation in order to give them a memorable experience while we served them.

HELB Agenda 2019-2023 – “Our Promise to the Customer” ●●●

As we get into the next planning period that envisages a reformed, bolder, agile, client focused, FINTECH enabled and Risk Intelligent organization which accords our Employees a great place to work; the Board will anchor its compelling drivers to a 4 point National, Continental and Global development agendas' namely;

- i. Vision 2030;
- ii. The Big 4;
- iii. The 17 Sustainable Development Goals (SDGs) and
- iv. Africa Union (AU) Agenda 2063.

These agendas promises a great future for our youth to enable the Country reap the fruits of the bulging youth dividend that is skilled and ready to join the job market/create jobs through innovation and improve the productivity of the Nation through articulation and implementation of Universal Higher Education Financing leaving nobody behind as the Nation progresses. Special emphasis will be placed on STEMI (Science, Technology, Engineering, Mathematics and Innovations) courses and TVET to increase employability and youth productivity through technology based and machine learning at higher education. As such HELB will focus its products and services that are aligned to the above drivers.

The Journey of HELB Agenda 2019-2023 ●●●

In September 2017, the Board commenced the preparation of the new plan dubbed HELB Agenda 2019-2023. Key emerging issues that have been considered in the next plan are based on stakeholder recommendations out of the Strategic Plan 2013-2018 outcomes, views from our customers' changes and preferences were gathered through targeted questionnaires to the students, employers, Principals of TVET Institutions, Universities Administrators, Government policy makers/drivers, HELB staff, Board and Management. We listened keenly to the Voice of our Customer in driving change and steering the Board to a new direction, perspectives and aspirations. HELB Agenda 2019 – 2023 is infused by Global, Continental and National Development Agendas. Of importance is the due consideration of the United Nation's Sustainable Development Goals (SDG), HELB Agenda has incorporated up to 10 SDGs. Moreover the AU Agenda 2063 on the Africa we want is focused on education transformation across the continent in order to maximally benefit from the Africa youth dividend. The Continental Education Strategy for Africa (CESA 16-25) is aimed at re-orienting Africa's education and training systems, through Africa's response to and domestication of SDG4- on Education which is aimed at ensuring equitable inclusive quality education and promotion of lifelong learning opportunities for all by 2030. At a National level, requirements to support realization of Big 4 agenda of the current administration, MTPIII and Vision 2030, are central to what HELB will undertake to implement in the next plan period. HELB undertakes to re-orient its processes, procedures and systems to support

Government in achieving these global, continental and National development agendas.

Looking ahead to a promising future ●●●

After due consideration of the macro-economic operating environment four ambitious pillars have been designed to push HELB Agenda 2019 – 2023:



- i. **Customer Centered Leadership:** “Delivering on the Customer Promise”;
- ii. **Sustainable Financing Initiatives:** “Impactful financing of Students through optimal resource mobilization”;
- iii. **FinTech Optimization for Digital service delivery** “Deepen, Broaden and Enhance Innovative Technologies that deliver First Class Customer Service”;
- iv. **Our People, Governance, Risk & Compliance:** “Make HELB a Great Place to work in by investing in Our People while propelling it to a Risk Intelligence Organization through ensuring adherence to Governance, Risk and Compliance Model”.

In the implementation of this Plan, HELB is committed to adhere to the legal and regulatory requirement as will be provided in the HELB Act Cap (213A) which is currently under review. The Strategic Plan will be implemented through corporate annual scorecard which will be cascaded to all departments through the Balanced Score Card as outlined in the Implementation matrix. The Monitoring and Evaluation reports will be periodically reviewed by the Board to monitor performance while also considering emerging issues that might affect the plan. This shall be done by the well-established monitoring and evaluation committee with membership from every department. The monitoring and evaluation committee will ensure that any exogenous factor that may adversely affect the expected outcome of the implementation is addressed timely.

The Plan is organized into seven chapters. Chapter one present report of the review of the Strategic Plan 2013-2018 including the challenges and the lessons learnt. Chapter two deals with the mandate of HELB, the Statement of Corporate identity including the Vision, Mission statements and the Core values. Chapter three deals with the situational analysis which looks at the current situation both within the institution and at the Macro level. The analysis has been done using both the PESTL and SWOT analysis. It also looks at the stakeholders’ analysis and maps our customer (of today and tomorrow) journey through customer journey mapping. Chapter four present the Four Strategic imperatives for HELB Agenda 2019 – 2023, complete with the rationale behind the key pillars that the next transformation

story will be based on. For each pillar a SMART Strategic Objective (SO) has been formulated based on the envisaged available resources. It is critical to always look at how success will look like once a strategy is implemented; therefore for each pillar an implementation matrix with the Key Results Areas (KRAs), strategic initiatives together with the activities, Key Performance Indicators (KPIs), resources required and person(s) responsible. Chapter five creates a sense of ownership of the strategy, coordination, accountability resource availability and responsiveness of our stakeholders. Chapter six explores the various perspectives of risk management by defining, evaluation, monitoring and mitigation of the key risks that may impede the implementation of this strategic Plan. Chapter seven deals with monitoring and evaluation of the Strategic plan.

CHARLES M. RINGERA
CHIEF EXECUTIVE OFFICER





Are you pursuing an artisan or craftsman course?

HELB provides Technical Vocational & Education Training (TVET) loans & bursaries from eligible applicants in the public TVET institutes recognized by the Ministry of Education (MoE), are members of Kenya Association of Technical Training Institution (KATTI) and whose students are placed by Kenya Universities & Colleges Central Placement Service (KUCCPS).

EMPOWERING DREAMS

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CHAPTER ONE: REVIEW OF THE STRATEGIC PLAN 2013- 2018

1.0 INTRODUCTION

To achieve its Vision and Mission, HELB develops Strategic Plans periodically; the third strategic plan for the plan period 2013-2018 was finalised in 2018. The plan identified four (4) Pillars. The strategic pillars guided the operations of the Board: These pillars were;



- i. Financial Sustainability
- ii. Customer Service delivery
- iii. Internal Processes re-engineering
- iv. Institutional Capacity and Corporate Governance

These priority areas were further crystallized under the following four strategic objectives:

- i. To grow the annual student budget portfolio then of Kshs 5.4 billion in 2012/2013 to Kshs.19.054 billion and to increase the coverage of students with C+ and above from the current 19% to 36% by 2018.
- ii. To increase customer satisfaction index by 200 basis points annually.
- iii. To increase the efficiency and effectiveness of business operations.

iv. To establish and maintain an effective institutional capacity

These strategic objectives were broken down further into 31 priority initiatives with specific objectives and outcomes. A mid-term review was conducted in 2016, where it was agreed that the implementation was on course and it should continue until June 2018 when the Strategic Plan was expected to come to an end.

1.1 STRATEGIC PLAN 2013-2018 IMPLEMENTATION LEVEL

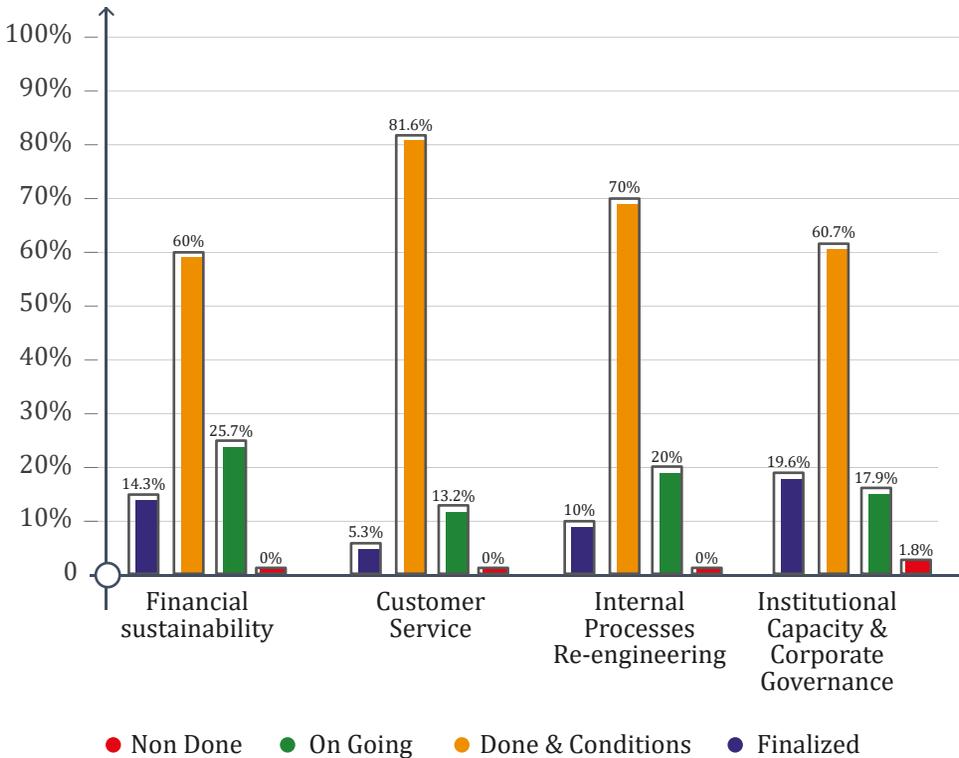
The performance of the previous Strategic Plan has been evaluated against the four strategic objectives above. As at June 2018, the Strategic plan 2013-2018 was achieved at 80% level as analyzed in the table below.

REVISED HELB STRATEGIC PLAN 2013 - 2018 - ANALYSIS OF IMPLEMENTATION STATUS AS AT 30th JUNE 2018

S/NO	STATUS OF ACTIVITIES	FINANCIAL SUSTAINABILITY	CUSTOMER SERVICE	INTERNAL PROCESSES RE-ENGINEERING	INSTITUTIONAL CAPACITY & CORPORATE GOVERNANCE	TOTAL	%
1	Finalized	5	2	2	11	20	13.4%
2	Done & continuous	21	31	14	34	100	67.1%
3	On-going	9	5	4	10	28	18.8%
4	Not done	0	0	0	1	1	0.7%
	TOTAL	35	38	20	56	149	100%

The cumulative achievement of the strategic plan implementation in the last five years is at 80.5%. The analysis of the various activities status were

- 13.4% (20 out of 149) of the activities planned were finalized as at 30th June 2018 and do not recur annually.
- Activities that were implemented and recur every financial year are 67.1% (100 out of 149)
- Activities that should have been started, have passed their completion dates, but are yet to be concluded are 18.8% (28 out of 149)
- Activities that have passed their completion dates and are yet to be started are 0.7% (1 out of 149)



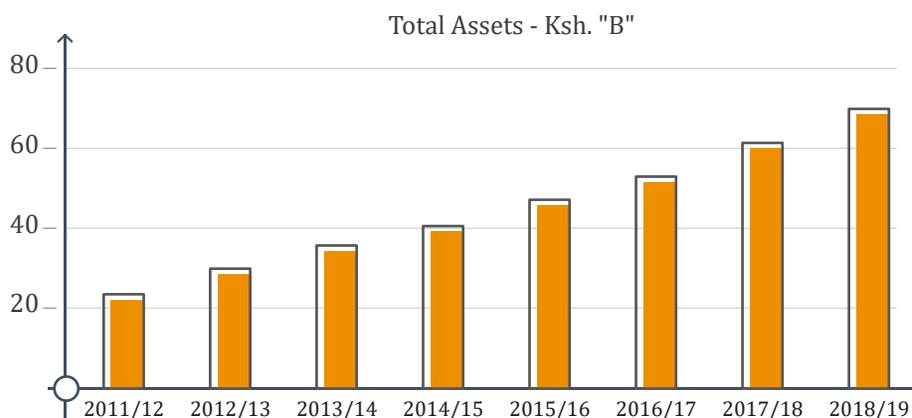
1.2 MILESTONES AND ACHIEVEMENTS

Specifically, the key milestones achieved were:

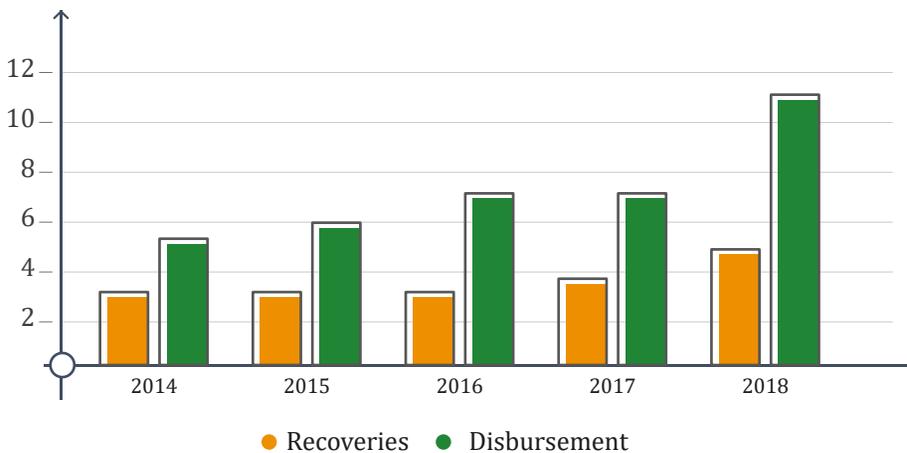
- a. More than doubled the Balance sheet size from Kshs. 33.3B to Kshs. 71.1B.
- b. Increased loan disbursement - 70% growth; students under funding programme grew from 109,189 to 248,050 with funding budget moving from Ksh. 4.6B in 2012 to 13.2B in 2018 with the number of universities funded moving from 59 to 78 within Kenya and EAC.
- c. Increased student coverage - 97% growth.
- d. Enhanced loan recovery - 40% growth; with annual loan recovery growing from Kshs. 2.5B in 2012 to 4.9B in 2018.
- e. Remarkable improvement in performing loan portfolio which moved from 56% to 72% which consequently reduced portfolio at risk (PAR) to 28% from 44%.

- f. Improved customer service and experience: Customer satisfaction survey index 71%
- g. Diversified products (Includes successful launch of TVET loans & bursary) benefiting 3,956 students to a revolving loan programme amounting to Ksh. 1.4B benefiting over 60,000 students in 203 TVET colleges from only 48 Colleges in 2012/13.
- h. Diversified financial resources – External resource mobilization
- i. Improved strategic partnerships like USAID and other private sector funders which allowed HELB to start Afya Elimu Fund supporting over 85 Medical Institutions with student numbers under loan programme in those institutions moving from 1,692 to over 17,000.
- j. Rollout of an Integrated Management Information systems
- k. Online services – loan application; statements; clearance certificates; employers’ portal
- l. To make HELB services nearer to Mwananchi and improve accessibility to HELB services rolled out 25 Huduma Centres,
- m. Staff compliment grew from 114 to 246 in 2012 and 2018 respectively.

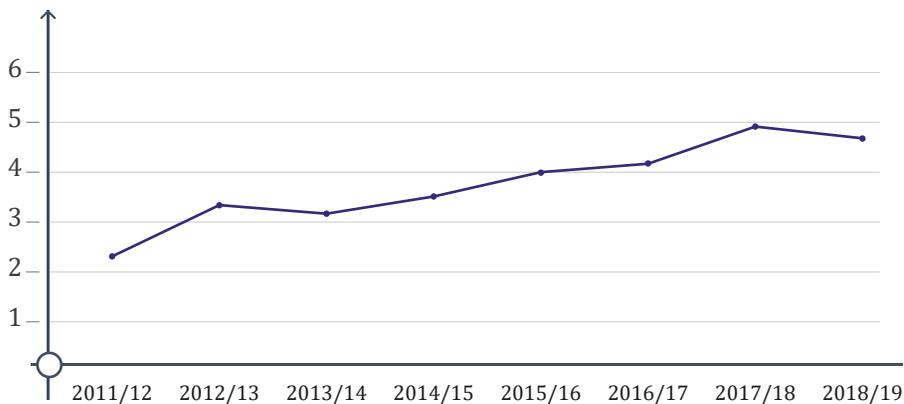
KEY SELECT INDICATORS



Recoveries & Disbursements



Loan Recovery - Ksh. "B"



1.3 CHALLENGES

During the implementation period, the Board faced a number of challenges including but not limited to the following:

- a. Technology implementation hiccups – The Enterprise Resource Planning (ERP)
- b. system encountered a number of delays due to challenges of the vendor capacity to deliver as contracted. By the plan period ERP was implemented up to 85% but by and large supporting the business operations.



- b. Delays in HELB Act review. To support institutional capacity growth, there was need to review HELB Act Cap 213 to design new products and implement the expanded mandate of HELB to cover financing of all learning in Higher Education.
- c. Lack of awareness of the higher education institutional structure at the grass root level.
- d. Integration of Risk management process and procedures in all aspect of decision making continued to weigh down on optimal decision making within the board.
- e. With legal ownership challenge of the HELB plot located in upper hill, the asset mix of HELB was not optimal which increased operational cost related to renting of premises for operations.
- f. During the plan period, the much anticipated insurance of the loan was not realised exposing the loans to the risk of death by the loanees.

1.4 LESSONS LEARNT

The lessons learned from the last Strategic Plan 2013-2018 includes:

- a. Due to unemployment and with HELB expanding funding of the TVET sector, more of the graduates are moving to the informal sector. Deliberate and elaborate strategies to enhance loan recoveries from the growing informal sector clientele need to be developed in the next plan period;
- b. There are several models for higher education financing revolving funds across the globe with a diverse mix of pure social funds and also revolving funds. Benchmarking on the best models globally need to be pursued to build HELB into a best in class on creating revolving higher education financing agencies;
- c. Create dynamism on the strategic plan Monitoring and evaluation to respond effectively and timely to a dynamic higher education. There is need for close monitoring of the objectives, strategies and activities and ensuring appropriate action is taken on emerging issues;
- d. Staff participation in strategic planning and policy development need to be enhanced to ensure ownership of the strategy and implementation by all staff;

- e. Balanced Score Card as a performance management tool need to be entrenched to all staff to achieve a higher outcomes of the strategic plan and reward them based on performance;
- f. Access to real-time and accurate information and relevant databases is essential for realisation of a strategy;
- g. There is need to continually improve and innovate products;
- h. Implementation of a knowledge management system is key in preservation of institutional knowledge and utilisation of the available knowledge optimally;
- i. Continuous training and exposure of HELB staff to modern financial technology (FinTech) and education sector developments is necessary to equip them to address the emerging issues.
- j. To ring and attract top talent and based on the size of HELB, there will be need to reclassify HELB to different classification that allows better terms and conditions of employees.

1.5 EMERGING ISSUES TAKEN INTO CONSIDERATION DURING THE PREPARATION OF HELB AGENDA 2019-2023

After scanning the environment of following were identified as the emerging issues that were affecting the implementation of the Strategic Plan. These were taken into consideration in preparing the HELB Agenda 2019-2023:

- i. Increase in student numbers hence increased demand for loans both under TVET and the Universities coupled with growing number of HLIs that absorbed higher number that required financial intervention from HELB;
- ii. Increased school fees and cost of living implying that the Kshs 37,000 average loan has not been adequate to the students. A study commissioned by the Board during the period under review showed that a student in a University required about Ksh. 122,000 per annum to study comfortably;
- iii. The 2017/2018 students funding budget was at Kshs 11.4 billion which is about 60% of the envisaged Kshs 19.054 billion;
- iv. The HELB loans attract an interest rate of 4% whilst the cost of funds is about 8%, this means that in the long run the fund may be shrinking without Government intervention through capitation;

- v. The Differentiated Unit Cost (DUC) funding of students to Universities was scheduled to commence implementation in 2017/18. However, this policy did not commence due to the heavy budget implication to Exchequer. As Government progressively design and implements DUC, there will be need to structure HELB funding aligned to DUC even as support for STEMI courses is pursued;
- vi. In October 2016 and February 2017, His Excellency the President, gave an Executive directive on funding Kenyan students in foreign universities, the planning need to consider what is required to actualize this.
- vii. Loan recovery strategies need to be enhanced to cater for increased mature loans including from TVET graduates who may not be in formal employment and the increased number of graduates migrating to the diaspora.
- viii. Technology continues to evolve necessitating strategies to exploit the fast changing technological facets for efficient service delivery.

1.6 ROLL OVER OF ACTIVITIES TO HELB AGENDA 2019 – 2023

The following table shows details of activities that were still on-going at the end of the strategic plan period, that is 30th June 2018, and will be rolled over and included in the HELB Agenda 2019 – 2023;

Key Result Area	Key Result Area	Key Result Area
Revolvability	Increase performing loan portfolio from 55% to 70%	Negotiation & campaigns for daily repayments from the informal sector
		Prosecution of defaulting employers
Organizational Transformation to become a Development Financing Institution in Higher Education (DFIHE)	Develop and secure the necessary legal and regulatory approvals to facilitate operations by 2018	Carry out the necessary consultancies to gather requirements
		Prepare the legal and regulatory document required
		Seek the required approvals of the legal and regulatory documents
	Create a sustainable Revolving Fund to ensure continuity and availability of funds for loans	Create a self-protection loan scheme
		Sign MOUs with universities on handling of HELB funds
		Adopt risk management strategies by insurance of all loans`

Key Result Area	Key Result Area	Key Result Area
Cost efficiency	Reduce cost of business operations through automation	Implement ICT based communication channels/solutions
		Introduce use of Smart Card in the disbursement of funds
Price/ Affordability	Implement cost effective and efficient communication strategies	Automation of e-statements
		Enable use of banking e-slips for loan repayments via website
Customer Relationship Management	Enhance quality services delivery and communication for clients	Implementation of Smartcard, online payment channels
		Automate generation of zero balance accounts for preparation of stop-orders
		Provide real time updated statements on the website
		Provision of Alternative loans within 24 hrs. on application
		Reduce refund processing time
		Develop interactive online customer services
Automation / Innovation /Digitization	Enhance business process automation, integration and adoption	Conduct a Business Process Re-Engineering
	Increased electronic engagement and improved service delivery for clients	Introduce use of smartcard in the disbursement of funds
		Document digitalization and implementation of an e-DMS system
Standards & Innovations	Harnessed innovative technology	Enhanced client self-service solutions (Kiosk models, electronic clearance, self- credit evaluation, direct upload by client institutions)
Efficiency	Modernize ICT Infrastructure and enhance systems availability	Projects Completed on Time



Key Result Area	Key Result Area	Key Result Area
Corporate Governance	Build corporate governance capacity for Board of Directors and Senior Management	Conduct corporate governance audit
	Strengthening ICT Governance, Risk and Compliance	Implement internationally accepted ICT management frameworks (Adopt & Implement , COBIT, Itil and Project
		Undertake Penetration Test and implement results
Enterprise Risk Management	Formulate, implement & monitor ERM framework	Develop an ERM policy framework
		Automate risk management processes
Performance Management Framework	Enhancement of corporate performance through strategic awareness & alignment	Automate the Balanced Scorecard
Capacity in Human Capital	Attain competent, motivated and innovativ staff	Undertake mentorship programmes
	Attract, Develop and Retain high performing workforce	Develop attractive remuneration packages.
Organizational Capital	Develop HR procedures that drive the Business	Implement Organisational Design Analysis & Job Evaluation report
		Develop positive organization & change management culture
		Staff empowerment
Corporate Social Responsibility (CSR)	To enhance CSR and Sustainable Development activities	Development and implementation of a Sustainability Development Policy





HEL B EMPLOYER'S CREED

- **Disclose**

Notify HELB on recruitment of a loanee.

- **Deduct**

Deduct student loan as instructed by HELB.

- **Discharge**

Remit loan payment by 15th of the following month in the manner as prescribed by HELB.

EMPOWERING DREAMS

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CHAPTER TWO: HELB MANDATE, FUNCTIONS, VISION, MISSION & CORE VALUES

2.1 INTRODUCTION

When the Higher Education Loans Board (HELB) was established by an act of Parliament CAP 213A of 1995, it took over all the function and the responsibilities of managing higher education financing which was by then being managed by the University Student Loans Scheme (USLS), a department in the Ministry of Education. Under the scheme, Kenyan students pursuing higher education at Makerere, Nairobi and Dar-es-Salaam universities received loans to cover their tuition and personal needs, which they would repay on completion of their education. However, it is important to note that, financing of higher education started in 1952 when the then colonial government awarded loans under the Higher Education Loans Fund [HELF] to Kenyans pursuing university education in universities outside East Africa notably Britain, the USA, the former USSR, India and South Africa.

But USLS lacked the legal basis to recover matured loans from beneficiaries. In addition, the general public and university students wrongly perceived that the loan was a grant from the government, which was not to be repaid. It is against this background that, HELB was established with the main mandate of sourcing for funds, allocating and disbursing to needy Kenyan pursuing higher education in recognized institution of higher learning. It also has the mandate of recovering all mature loans disbursed since 1974.

HELB started operations with initial staff seconded from the Ministry of Education in August 1995 with funding from the World Bank. The first batch of employees was engaged in November 1996. Initially it started with eighty (80) staffs that were disbursing loans to only undergraduate student in public universities under the government sponsored program. Currently HELB has a staff compliment of two hundred and seventy four (274) managing a total of ten (10) products for students in both public and private universities and in the TVET institutions as well as managing loan beneficiaries currently standing at 671,448 beneficiaries.

2.2 MANDATE, OBJECTIVES AND FUNCTIONS OF HELB

The Board derives all its mandate and functions from the HELB Act (Cap 213A). The functions are categorized into three types, namely: -

- Short term
- Medium term
- Long term

The short-term functions include:

- a. To set the criteria and conditions governing the granting of loans including the rate of interest to be charged;
- b. To receive and consider all loan applications from eligible persons (students) who wish to pursue higher education;
- c. To approve and/or reject such applications in accordance with the provisions of the Act;
- d. To determine the maximum number of eligible persons to be granted loans in any one particular year;
- e. To invest any surplus funds not currently required for the running of the Board in any investment authorized by law;
- f. To recover matured loans.

The medium functions include

- a. To establish a Revolving Fund
- b. To solicit for funds and other assistance to promote the functions of the Board
- c. To enter into contracts with financial institutions for the purpose of disbursement and recovery of the loans.

Long-term functions include

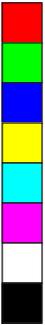
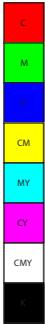
To establish links with other bodies and /or organizations within and outside Kenya as considered necessary for the purpose of realizing the goals of the Board. This is to enable HELB to become a fully-fledged financial institution on student financing to attract syndicated funds from development partners, global financial institutions and big ticket donors.

2.3 STATEMENT OF CORPORATE IDENTITY

A statement of corporate identity is an articulation of the uniqueness of the organization which identifies the basis of the organization’s brand. The corporate identity has immense value to HELB in terms of acceptance and positioning in the society and this value will need to be appreciated and built upon. The corporate identity promotes the Vision, Mission and Core Values of the Board.

Taking into consideration, the emerging issues noted during the implementation of the just concluded Strategic plan 2013-2018, the following are the new Vision, Mission and Core Values of HELB.

OUR MULTI-DIMENSIONAL PURPOSE AND VALUES



The Vision statement ●●●

A Vision is a desired future status of HELB that will guide the thinking, decision making and the way HELB would like to conduct business to achieve its future dreams. The Vision statement of the HELB is:

***“ Universal financing for
Kenyans pursuing
Higher Education ”***

Mission Statement ●●●

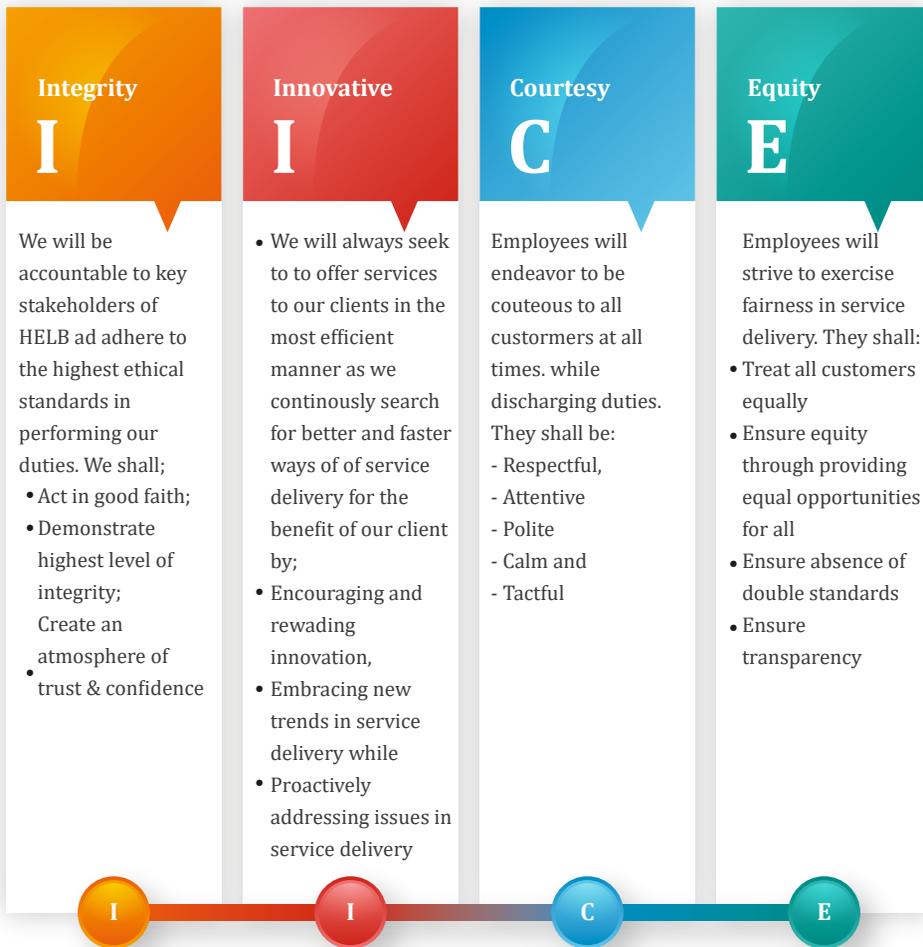
A Mission statement states the purpose for the existence of HELB. It specifies the end results that HELB is seeking to achieve, for whom and how it will go about it and the resources that are required. The Mission statement is:

***“To provide sustainable
finance to Kenyans
pursuing Higher Education
through mobilization
& prudent management
of resources”***

Core Values Statement ●●●

To support achievement of the Vision and Mission, the Board has formulated the ethos or values that are appropriate to drive the right culture and institutional fabric. These are set of guiding principles that will be shared and practiced by staff and stakeholders.

In consideration of the changed environment, the core values have been formulated for implementation during the next plan period;



2.4 ASSUMPTIONS TAKEN IN PREPARATION OF THIS PLAN

The following assumptions have been considered when preparing this plan:

- i. The political environment will remain stable and peaceful to ensure realization of all the set targets;
- ii. Sound and stable macro-economic environment - economy will grow as projected to increase employment and engagement of graduate with economically viable activities to enable them service their loans as they fall due and to facilitate collection of targeted taxes which will be utilized to fund the

- exchequer allocation for basic needs of the society and annual capitation allocation for student loans;
- iii. The government will continue to support and prioritize TVET education and provide the necessary funding for realization of Vision 2030 and the Big 4 Agenda;
 - iv. Education will continue to be prioritized as a major enabler for the achievement of the Big Four Agenda;
 - v. No major legal changes will take place to adversely affect the operations of HELB;
 - vi. That the Board will be able to keep up with technological advancement.





#TwendeTulipeHELB!

Nimesoma. Sasa Nalipa!
I pay my HELB Loan via M-Pesa paybill number 200800.
My ID Number is the Account number. Help Educate
Tomorrow. Start Paying Today.

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CHAPTER THREE: SITUATION ANALYSIS GLOBAL, CONTINENTAL & NATIONAL DEVELOPMENT AGENDAS

3.1 AFRICA AGENDA 2063

The Africa Agenda 2063 –‘The Africa we want’ is a strategic framework for the socio-economic transformation of the continent over the next 50 years. It’s built on, and seeks to accelerate the implementation of past and existing continental initiatives for growth and sustainable development. The Aspiration of Africa Agenda 2063 is;

1. A prosperous Africa based on inclusive growth and sustainable development;
2. An integrated continent, politically united and based on the ideals of Pan-Africanism and the vision of Africa’s Renaissance;
3. An Africa of good governance, democracy, respect for human rights, justice and the rule of law;
4. A peaceful and secure Africa;
5. An Africa with a strong cultural identity, common heritage, shared values and ethics;
6. An Africa whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children;
7. Africa as a strong, united and influential global player and partner.

The achievement of these aspirations cannot be realized without the right human skills. This is the reason why facilitation of higher education through financing is an integral part in the realization of the ‘Africa we want ‘agenda. The Higher Education Loans Board (HELB) will play this vital role of financing Kenyans enrolled in institutions of higher learning as they seek the required skill to drive the country and continent’s agenda.

3.2 CONTINENTAL EDUCATION STRATEGY FOR AFRICA (CESA 2016 – 2025)

Under the CESA 2016-2025, there are twelve broad Strategic objectives. The objective under which the HELB Agenda falls are strategic objective number 4 which requires countries to ensure acquisition of requisite knowledge and skills as well as

improved completion rates at all levels and groups through harmonization of processes across all levels for national and regional integration and Strategic Objective number 8 on Expanding TVET opportunities at both secondary and tertiary levels and strengthening linkages between the world of work and education and training systems through financial facilitation to students in the Universities and in the TVET institutions.

3.3 SUSTAINABLE DEVELOPMENT GOALS



In September 2015, the General Assembly adopted the 2030 Agenda for Sustainable Development that includes 17 Sustainable Development Goals (SDGs). The 17 Sustainable Development Goals (SDGs) define global sustainable development priorities and aspirations for 2030 and seek to mobilize global efforts around a common set of goals and targets. The SDGs call for worldwide action among governments, business and civil society to end poverty and create a life of dignity and opportunity for all, within the boundaries of the planet. Building on the principle of “leaving no one behind”, the Agenda emphasizes a holistic approach to achieving sustainable development for all. The 17 goals are set to be achieved in the next 11 years to 2030 in order to make our world better, end poverty, protect the planet and ensure prosperity for all.

We recognize that actions are necessary to advance the Global Goals, and agree that the chosen goals will improve our society and our planet if achieved. These 17 Goals build on the successes of the Millennium Development Goals, while including new areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities. The goals are interconnected – often the key to success on one will involve tackling issues more commonly associated with another. The goals represent the development that meets the needs of the present, without compromising the ability of future generations to meet their own needs. Based on the 5 Ps – People, Prosperity, Peace, Partnership and Planet - the main objectives of the Sustainable development goals are;



- End poverty • have prosperity • Leave no one behind (action and focus)
- Foster Peace and prosperity • Forge partnerships

The Government is committed to achieving the International Development Commitments outlined in the Seventeen (17) Sustainable Development Goals (SDG).

Under SDG 4 The global indicator for target 4.3 on Technical, Vocational, Tertiary and adult education is the youth and adult participation rate in formal and non-formal education and training. Though the percentage of participation has continued to increase over the years, there is still a lot of effort that need to be made to ensure that youth that complete basic education transit wholly to tertiary education either through the university system or through the tertiary education system. The SDG4 target to ensure inclusive and equitable quality education and

promotion of lifelong learning opportunities for all. The main outcome targets for this SDG 4 are

- 4.1 Quality primary & secondary education
- 4.2 Early childhood & pre-primary education
- 4.3 Equal access to TVET & higher education
- 4.4 Relevant skills for work
- 4.5 Gender equality & equal access for all
- 4.6 Youth and adult literacy
- 4.7 Skills for sustainable development

The targets relevant to HELB and which will be taken into consideration during the plan period are;

- **Target 4.3** on equal access to TVET and higher education with major deliverable being that by the year 2030, all should ensure equal access for all women and men to **affordable and quality technical, vocational and tertiary education, including university** by reducing barriers to skills development and technical and vocational education and training and working toward provision of tertiary education being made progressively free.
- **Target 4.4** on relevant skills for work with major deliverable being that by 2030, there should be a substantial increase in the number of youth and adults who have relevant skills, including technical and vocational skills for employment, decent jobs and entrepreneurship. This will be achieved by ensuring equitable access to TVET hence needs to expand the TVET institutions and emphasis on beyond work-specific skills.
- **Target 4.5** on gender equality and equal access for all it is envisaged that by 2030, gender disparities in education should be eliminated and ensure equal access to all levels of education including vocational training for the vulnerable, persons with disabilities, indigenous peoples and children in vulnerable situations. All should have access to inclusive, equitable quality education and lifelong learning opportunities.

3.4 KENYA VISION 2030 AND THE 'BIG FOUR' AGENDA

The long-term development blueprint for Kenya, the Vision 2030, aims at transforming the country into a globally competitive economy and providing a high quality life to all its citizens. The Vision is anchored on three pillars namely: Economic, Political and Social. The Education and Training Sector (E&TS) a key component towards achieving the Vision is anchored within the social pillar. The pillar aims at creating a comprehensive, equitable and just society based on democratic ideals. To achieve this goal, the Government plans to put in place measures that will raise the national GDP growth rate from the current 4.9% to over 10%, create more employment opportunities and equitable development in all regions of the country.

The Constitution of Kenya guarantees the fundamental human rights, among them the right to education through section 43(f). To realize this, the Constitution provides for the establishment of various institutions and enactment of appropriate legislations to govern the education and training sector. The broad objective of education and training sector is to provide lifelong education to all Kenyans and ensure access and affordable competencies and skills at all levels. To achieve this, the government target to increase the transition from secondary to university level from 3% in 2008 to 10% by 2024 as outlined in Sessional Paper No.14 of 2012. Pursuant to this focus, HELB will play a vital role in financing education in post-secondary institutions.

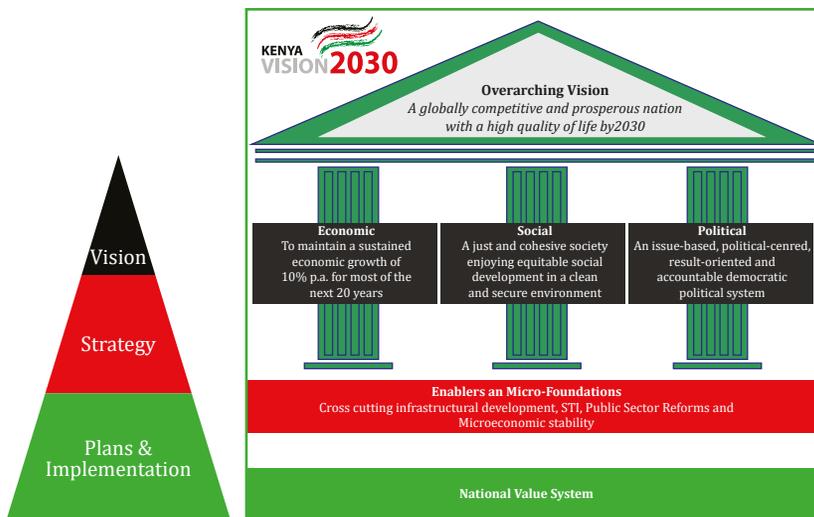
Currently HELB funds approximately 45% of the total student population in our institutions of higher learning (264,000/600,000) leaving the rest to seek alternative financing for their post-secondary education. The amount funded is not adequate to cater for students' needs both for tuition and upkeep.

The funding of university education by the government is based on uniform costing as opposed to unit cost for all courses offered at the institutions of higher learning. This does not also take in to account the need for support for different individuals based on their level of need as the sponsorship qualification is on merit only. This

result into provision of grants to all government sponsored students admitted to public and private universities through the Kenya Universities and Colleges Central placement Service (KUCCPS) based on merit. The grant from the government is not repayable and thus it is a sunk cost that cannot be available to future generations.

The resultant implication is unsustainability of higher education financing by the government. During the plan period HELB intends to lobby for more funding to be channeled through its student finance distribution system for onward disbursement as loans repayable upon completion of studies. This will ensure sustainability of higher education financing as revolving Fund to support future generations. The volatile education sector needs leading to increased demand for loans has informed HELB when preparing its Agenda 2019-2023 to focus on achieving its mandate by addressing the emerging issues.

3.4.1 HELB ROLE IN ACHIEVING VISION 2030



The Vision 2030 with the social pillar where education is a main enabler
(Source-Vision 2030 secretariat)

The Third Kenya Vision 2030, Medium Term Plan (MTP III 2018-2022) will succeed the Second MTP 2013-2017. Like its two predecessors, it will be guided by Kenya Vision 2030. The MTP III presents consolidated strategies and programmes that are expected to be implemented in the Education and Training Sector between 2018 and 2022. These are expected to leverage on the investments made in ICT especially the Digital Literacy Programme (DLP) in the previous MTP period towards actualizing the desired knowledge economy. Some of the emerging issues that the sector will be dealing with in MTP III include:

- Implementing Sustainable Development Goals;
- Harnessing Demographic Dividend and
- Implementing Education and Training Curriculum Reforms.
- Other issues include ICT Integration in Education Management, Teaching and Learning; Strengthening Special Needs Education and
- Addressing Radicalisation and Violent Extremism in learning institutions.

To address the challenges and emerging issues in the sector and taking into account the aspirations of the Vision 2030, seven key Programmes are to be implemented during the MTP III period. These include:

- Access and equity in education and training;
- Curriculum reform;
- Special Needs Education and Training;
- Quality and relevance of Education & Training;
- ICT integration in education and training;
- Revitalization of adult and continuing education and
- Governance and accountability in Education and Training.

The sector target to carry out critical policies and legal reforms aimed at improving education and learning.

The government takes cognizance of the fact that provision of quality education, training and research is critical to achieving the Vision 2030 goals. In provision of quality education and training, HELB will play a key role by ensuring that;

- a. There is increased access to higher education by providing financing to all Kenyans enrolled in higher education institutions. This will be geared toward achieving universal funding for higher education. The result of which will be to ensure that there is active participation in economic activities by all Kenyans since they will have the requisite knowledge; and
- b. More funds are channelled to finance students in the TVET institutions who will be a major input in providing the technical skills required in propelling Kenya to achieving a middle income level economic status.

3.4.2 HELB ROLE IN ACHIEVING THE BIG FOUR AGENDA



Over the MPT III period the current administration has identified four major priority areas namely: Universal health Coverage; Food and Nutrition security; Affordable housing; and Industrialization, manufacturing and Agro- processing. In achieving these priority goals the education and training sector will play an important role as an enabler through provision of the much needed skills and

educating the society in health and nutrition issues. The identified four main Agenda will be the focus for the next five years. The government has prioritized policy objectives under ‘The Big Four’ agenda for faster growth of the economy. To drive these four government agenda human resources with the right skills for economic growth is paramount. During the next plan period for HELB Agenda 2019 -2023, HELB shall align its strategy implementation to ‘The Big Four’ agenda. It will play a key role in facilitating Kenyans students enrolled in institutions of higher learning through universal financial support to ensure they complete their education on time.

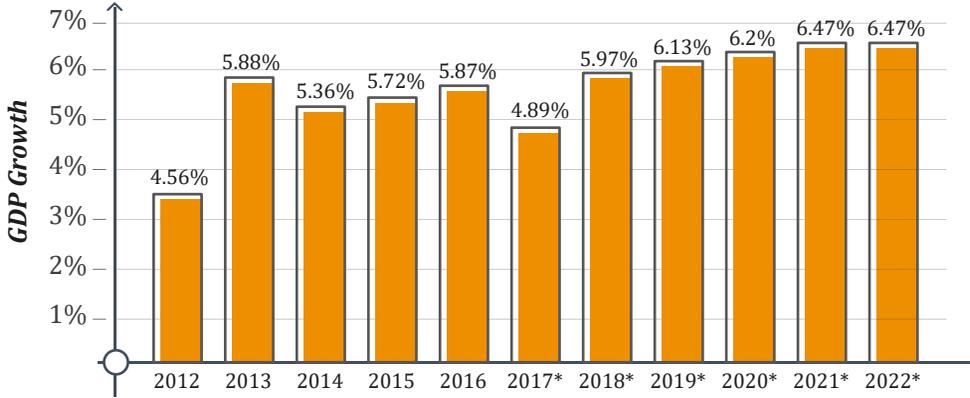
3.5 MAJOR FACTORS THAT MAY AFFECT HELB OPERATIONS DURING THE IMPLEMENTATION OF HELB AGENDA 2019-2023

In striving to fulfill the mandate of HELB, in contributing to the National development and creating a National Higher Education Revolving Fund, the following challenges may adversely affect the overall performance.

- i. The rate of economic growth which may affect the level of unemployment and in turn affect the repayment of HELB loans. With rising domestic unemployment/under employment, Kenyans may in turn seek alternative employment opportunities outside the country which would make it difficult and or expensive to trace the loanees in the diaspora and ensure that they repay their loans.
- ii. The inflation rates due to increase in fuel and food prices. If the inflation is high, it may result to Kenyans placing first priority to the purchase of basic needs, leading to high default rates on HELB loans and at the same time increasing demand for HELB loans due to insufficient/inadequate family income. Currently inflation is at 7.76% and the macroeconomic policies are geared toward maintaining within single digit level.

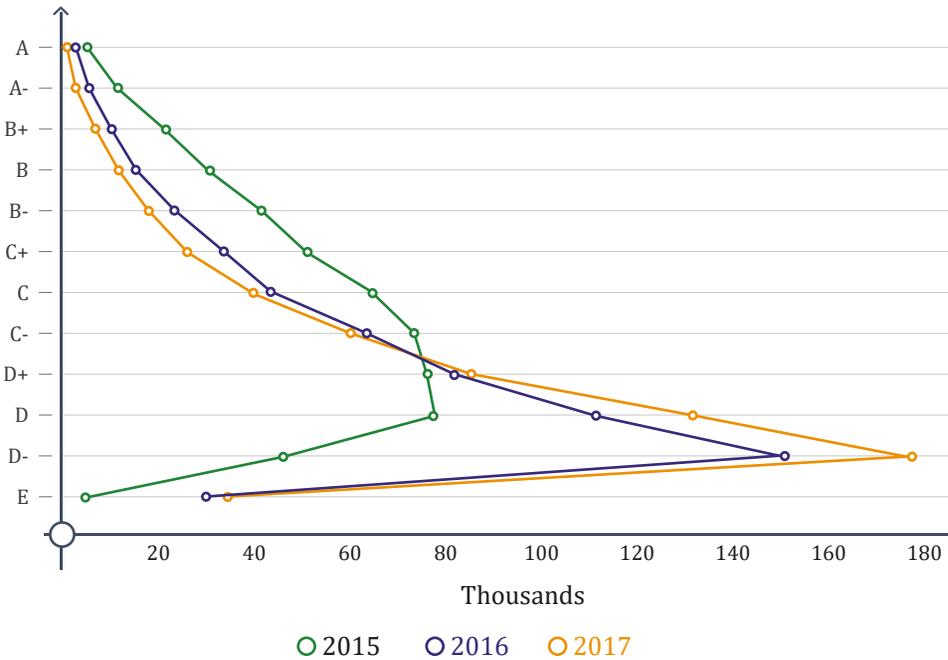
Kenya Economic Growth

Growth is expected to pick up in 2019, underpinned by solid domestic demand and strong capital inflows. However, parliament's decision to maintain the interest rate cap on commercial bank lending rates, along with the slow pace of fiscal tightening, may limit the government's ability to secure additional funds from Development partners to finance the FY 2018–2019 budget. Focus Economics analysts' project GDP growth of 6.13% in 2019, and growing to a high of 6.47% in 2022.



Kenya: Growth rate of the real gross domestic product (GDP) - KNBS

iii. There has been a consistent decline in the number of students qualifying for admission to the universities over the last three years. This has meant a consistent reduction of students applying for funding at the University level;



In an effort to increase transition from Secondary school to Institutions of higher learning, the current government emphasis is on sponsoring students to TVET institutions as a way of increasing the skills required for realization of the “Big Four” government agenda and Vision 2030. This is motivated by the requirement to train more technical resources as opposed to managerial resources. This means that HELB will be required to carry out intensive campaigns together with other government bodies to change the mind set of Kenyan parents and youth to embrace technical skills which are more value adding than a university degree in the job market. At the same time HELB will need to develop TVET products that will attract more students to the institutions and ensure increased completion rate. During the plan period, structures will be put in place to enhance recovery from the informal sector where most of the TVET graduates will be engaged as either entrepreneurs or workers.

- iv. The poverty level currently at 36.1%, with this percentage of population living below one dollar per day, it is expected that there will be increased demand for HELB loans both in number of students funded and the amount allocated to ensure increased completion rate for students in institutions of higher learning. The situation will be aggravated by the current government policy of introducing the Differentiated Unit Cost (DUC) in university funding since most families will not be in a position to raise the required fees for high cost courses that are critical for economic growth and easier to get job placement.
- v. Tuition Fee Increase in Universities. As Government continues to pursue the ways and means of implementing DUC, the Vice Chancellors have recommended a huge increase in student fees and adoption of a funding model that would take care of the cost of teaching each programme. It has been proposed that each student pays Sh48,000 up from the current Sh16,000. The funding model has been running since 1989, where all government-sponsored students are funded at a flat rate of Sh120,000 each year. Of this, Sh86,000 is tuition fees while Sh34,000 caters for students’ personal expenses, including accommodation, food and books. If this move is adopted it therefore means of the approximately 300,000 University student under the funding programme will require Kshs. 14.4B as compared to the current requirement of Kshs. 4.8B.

- vi. Economic growth and development depend on the peace and political stability within and outside our borders. Lack of this may hamper the social welfare of our citizen which may affect the impact of HELB loans to the nation as beneficiaries may not be able to utilize their knowledge to engage in economically gainful activities and thus may not manage to service their loans when they fall due as expected.
- vii. Varying Government priorities in allocation of resources. The Government concentrates more on provision of funding to basic education up to secondary school level. This leaves the post-secondary education with inadequate funding. This is due to the belief that provision of basic education is more beneficial to the society while for higher education is more beneficial to the individual. There are also other high priority service provisions areas such as security, health and infrastructure which the government would need to fund first before funding the higher education due to their strong social impact. This means HELB will need to seek other sources of financing higher education to supplement the exchequer allocation and loan recovery. To achieve this, HELB will enter into partnership with other higher education financiers and seek to centralize higher education financing to create a sustainable National Higher Education Revolving fund through converting HELB into a Tertiary Funding Corporation.
- viii. Increasing University/College mortality. The current mortality at Universities and colleges is averaging about 50 students annually as a result of lifestyle, diet, disease and general insecurity like Terrorism. HELB will need therefore to commission the Self-Insurance scheme to protect the Loan portfolio from experiencing high credit risk.

3.6 MATERIAL ISSUES AND STRATEGIC RESPONSES

Fundamentally HELB Agenda 2019-2023 intends to address key material factors divided into;

- i. INTERNALITIES
- ii. EXTERNALITIES

INTERNALITIES

3.6.1 UNIVERSAL FUNDING

Currently, HELB fund university students enrolled in both Public and Private Universities either under the government sponsored programs or under the self-sponsored programs and students in TVET institutions that are under the Ministry of Education. Other categories funded are sector specific as outlined by various partners who have entered into an agreement with HELB to manage their Kitty for a specific category of students. This leaves out many Kenyans students enrolled in private tertiary institutions, government TVET institution under other ministries and those enrolled in higher education institutions in foreign countries other than those within the East African Community. Section 43(f) of the Constitution of Kenya indicates that every Kenyan child has a right to education. To ensure compliance with this section of the Constitution, and eliminate discrimination in higher education financing HELB will seek to increase the sources of funds to progressively ensure that all students who apply for financing will be adequately financed to enable them complete their education. This will ensure progressive realization of universal funding for post-secondary education.

3.6.2 SUSTAINABILITY OF HIGHER EDUCATION FINANCING

In Kenya there are numerous entities including Foundations, Counties, Corporates, Constituencies and non-governmental organization who have set aside a portion of their budget to finance higher education for various target groups through provision of bursaries and scholarships. The bursaries are not repayable once the beneficiaries graduate from the institution of higher learning hence it is a sunk cost. At the same time the government has been providing grants to the universities based on the number of students admitted on merit by the Kenya Universities and Colleges Central Placement Service (KUCCPS).

The funding has remained stagnant at Kshs 70,000 per student for the last twenty five year despite the continued increase of cost of living and the fees increase by the institutions of higher learning. The sponsorship is not repayable and does not take into consideration the ability of the student's parents to pay the college fees. Though

the initial funding was based on the number of students admitted, this criteria currently is not foolproof that the numbers being paid for actually reported to the institution concerned. For sustainability of higher education financing and to ensure that there is positive impact in implementation of the Differentiated Unit Cost (DUC) in university funding, HELB will seek to form partnership and centralize all higher education financing to be managed from its well established student financing structures. This is expected to result to more accountability in funding post-secondary education.

3.6.3 INCREASE ACCESS AND EQUITY

Currently, the Board covers 45% of the students enrolled in institutions of higher learning. At the same time the amount allocated annually is low (ranging from Kshs 37,000 to Kshs 60,000 per year) compared to a steep rise in cost of living and the high tuition fees charged by the institutions of higher learning. HELB will focus on increasing the number of students funded while at the same time providing adequate funding through growth of students annual budget annually and increasing average loan allocation per student annually. As per the Universities Act 2012, the Board is expected to finance students based on Differentiated Unit Cost (DUC) model, but this continues to be challenging given the inadequate funding and as such this planning document is based on uniform costing and not DUC.

Analyzed here below is the projected growth in student budget up to 2023;

STUDENT FUNDING ANALYSIS FOR HELB AGENDA 2019/2023

Year	Total student budget (Increase by 10% annually) in Kshs	Minimum student allocation (Increase by 5% annually) in Kshs	Average amount allocated to students (Increase of 5% annually) in Kshs	Maximum student allocation (Increase by 5% annually) in Kshs	Number of students funded -5% increase annually
2017/2018	11,460,905,520	37,000	40,625	60,000	282,113
2018/2019	13,762,633,000	38,850	42,000	63,000	296,219
2019/2020	16,598,953,190	40,793	48,673	66,150	341,030
2020/2021	18,258,933,767	42,832	50,991	69,458	358,082
2021/2022	20,084,773,431	44,974	53,419	72,930	375,986
2022/2023	22,093,344,770	47,222	55,963	76,577	394,785

Source HELB database

3.6.4 INSTITUTIONAL MANAGEMENT AND LEADERSHIP

HELB is an established and reputable institution of financing higher learning in Kenya. Its operations are guided by her mandate whose achievement requires adequate planning. This is required to assist in matching the increased demand for student financing with the existing resources. HELB will put in place stringent control measures to ensure that the scarce resources are utilized prudently. It will also ensure that effective leadership in all operational areas is put in place as the institution concentrate on mobilizing resources to close the ever widening gap between the demand and the available resources.

3.6.5 LINKAGES AND PARTNERSHIPS

HELB is working with limited number of partners, but for the purpose of meeting its mandate, a number of linkages and partnerships particularly with financial institutions, industry, community organizations, institutions of higher learning, middle level colleges and training centers will be established. Through these collaborations, HELB will be able to engage into joint education financing projects and create awareness of its products and services. In this regard, HELB will continue to seek linkages and strategic partnerships that will facilitate achievement of its Vision of Universal funding for every eligible Kenyan enrolled in institution of higher learning. Adequate policy/strategy which will guide the establishment and operations of collaborations through Memorandum of Understandings and other partnership agreements will be put in place and adhered to.

3.6.6 DEMOGRAPHIC DIVIDEND

Demographic dividend refers to the temporary opportunity to achieve a sustained faster economic growth resulting from a decline in the fertility levels, a huge population of young persons, and strategic investments in health, education and skills development, economic, and governance sectors. This means that for a country to realise demographic dividend, the dependency ratio must decline over time while the size of its workforce should increase. High quality education and training at all levels prepares young people with requisite skills to effectively and fully participate in the labour market.

To achieve the demographic dividend in education the programs include investment in young people to respond to the dynamic labour market. Both National and County governments have key roles in planning, financing, implementing, coordinating, monitoring and evaluating these activities that contribute to the harnessing of the demographic dividend. HELB is a facilitator in financing education to assist the Kenyan to achieve these required skills through provision of adequate student loans, bursaries and scholarships. This will be taken into consideration during the plan period 2019-2023.

EXTERNALITIES

3.7 EXTERNAL ENVIRONMENT ANALYSIS

In the volatile environment which we operate in, it is challenging to predict the future. This external environmental analysis assesses the conditions and changes expected to prevail in the operating environment and for which HELB have no control. The PESTL analytical criterion is used in this analysis. It assesses five key elements in the operating environment namely; Political, Economic, Social, Technological, and Legal (PESTL) factors expected to have potential impact on the Board's operations either positively or negatively. The outputs of the PESTL analysis are the key opportunities and threats for the Board.

3.7.1 POLITICAL FACTORS

Going by the political temperatures and developments, trends indicate that the Kenyan political context is likely to remain stable. HELB needs a favorable political environment if it is to fulfill its mandate. Political factors that may affect operation include;

- i. National political stability which would provide a conducive environment for operations and economic growth. This would in turn affect the students completing their education in time and becoming economically engaged to enable commence loan repayment as and when it falls due;
- ii. The current political goodwill to support higher education will ensure that the policies being put in place especially to enhance Technical and Vocational Education for the Kenyan youth are adhered to and fully supported for

implementation and realisation. The funding requirement for higher education which is part of policy realisation will be provided by the government.

- The requirements of the Constitution that need to be fulfilled and adhered to;
- iii. Relationship with the neighboring countries. For Kenyan to progress, there is need to have a stable environment even in the neighboring countries;
 - iv. Untamed corruption level which means that resources are not benefiting the intended recipients;
 - v. Changes in the administration of education sector bringing in different mindsets in running of the education sector;
 - vi. Fiscal policy issues such as budget allocation where the government may have different priorities.
 - vii. Lack of autonomy leading to bureaucracy in decision making especially on issue affecting the policies and operating instruments like the HELB Act.

3.7.2 ECONOMIC FACTORS

Economic growth in the plan period is expected to average between 5-10% per annum provided that the political environment remains relatively peaceful and stable. There will be sustainable economic growth, if the government has sound Macro-economic policies and effectively implement National plans including MTP III projects. This is expected to generate adequate government revenue through taxes. The factors that may affect this and in turn affect HELB operations include;

- i. Global financial crisis which may affect the level of economic growth thus reducing the employment level of our graduates leading to low loan recovery. This may also result into inadequate funds allocation from the exchequer;
- ii. Continually rising inflation rates leading to high cost of living which in turn may affect the National government budget allocation due to competing priorities leading to budget cuts and expenditure freezes. Inflation rise may be as a result of declining value of the Kenya currency. At the same time high cost of living may lead to household not being in a position to pay college fees thus leading to an increase in demand for HELB loans;

- iii. Slow economic growth may reduce government revenue leading to inadequate budgetary allocation from the exchequer;
- iv. The emphasis on the need to develop technical skill through the TVET program to increase the number of people who will be economically engaged will increase the number of students applying for loans.
- v. Inadequate employment opportunities due to slow economic growth may lead to immigration to the developed countries to seek economic engagement thus increasing the number of people servicing their loans and also act as marketing agents for TVET products and other HELB products. At the same time, if the tracing mechanism in the diaspora is not enhanced the loanee who are servicing their loans, may be few thus reducing the amount of loan recovered.

3.7.3 SOCIO-DEMOGRAPHIC FACTORS

The social environment is imbued with some significant challenges such as levels of poverty and dimension of poverty gaps and regional imbalances. The factors that may affect the operation of HELB include;

- i. Mainstreaming of gender, persons living with disabilities, members of marginalized communities and minority group may affect the beneficiaries of HELB loans in terms of loan uptake and repayment due to cultural beliefs;
- ii. Impact of demographic changes in terms of age distribution and life expectancy, changing attitudes towards work, leisure, career and retirement, attitude towards product quality and customer service, lifestyle changes, gender distribution, family size and structure all may affect HELB operation in terms of financial literacy, loan demand and loan repayments.
- iii. Perception on corruption, ethnicity and education level and needs may affect the operations of HELB in terms of service and product requirement and overall customer satisfaction.
- iv. The population of youth aged between 15-35 years continues to increase hence increasing the demand for access to education in post-secondary institutions leading to increased demand for funds to finance their education.

3.7.4 TECHNOLOGICAL FACTORS

Information Communication Technology (ICT) is a major input in acceleration of economic growth by providing an effective and efficient service delivery channel. It has remained volatile due to continuous innovation in provision of products and services and in terms of both hardware and software. These rapid changes may lead to;

- i. Increase in e-commerce and internet usage which need to be embraced for service delivery;
- ii. Increase in cybercrimes and frauds leading to insecurity of data and information;
- iii. Need to increase access to services being provided by HELB at the customer's convenience;
- iv. Requirement for continuous innovation in service delivery and product enhancement to ensure that all emerging issues are addressed as and when they arise;
- v. Increased cost of ICT equipment due to frequent upgrade required;
- vi. Unmatched coverage with the technological knowhow skill especially in areas where the poverty and illiteracy level is high. This leads to low uptake of product/services being provided through online medium in the marginalized part of the country.

3.7.5 LEGAL AND REGULATORY FRAMEWORK

The Constitution of Kenya articles 43.1(f), 53.1(b) and 55(a) makes education a right of every Kenyan while the Kenya Vision 2030 underscores the importance of education in ensuring relevant human and social capital for sustainable development. The legal framework that may affect the operation of HELB include;

- i. The Universities Acts (2012) and TVET Act (2013), and the various government directives requiring that all students should be funded by HELB including those in foreign universities. This is not matched with the required resources allocation;
- ii. The current age of majority where an adult is a person at age of eighteen years and above. This is the only person who can engage in a contractual obligation.

This results into a number of university students being locked out of the HELB loans as they are admitted to university when they are below the age of majority and hence cannot borrow from HELB;

- iii. The provision in the Constitution on gender issues and the one third requirement rule. HELB has to adhere to this requirement, both at the time of funding students and at the time of recruiting staff;
- iv. The requirement that the salaries and benefits (terms) for the Public service and State Corporation are guided by the Salaries and Remuneration Commission. This will lead to flight of the best brain from the public service to the private sector as the harmonized remunerations for public servants are too low to attract and retain the best brains.
- v. The current classification of HELB Service Sector under PC3 A limits the organization in engaging top talent due to the uncompetitive terms and remunerations compared to its near similar market players in the financial services. During the next plan period deliberate effort towards re-categorization from the current PC3 A to Financial Sector under PC8 B.

3.8 SWOT ANALYSIS

SWOT analysis is a framework for generating strategic alternatives (options) from a situation analysis. SWOT is an acronym for Strengths, Weaknesses, Opportunities and Threats. The SWOT analysis classifies the internal aspects of an organization as either strengths or weaknesses and the external situational factors as either opportunities or threats. The SWOT for HELB is outlined below;

3.8.1 INTERNAL ENVIRONMENT ANALYSIS

Internal environment analysis assesses the key organizational assets, resources, skills and processes that represent either strengths or weaknesses. In HELB, the Strengths and weaknesses have been identified as follows;

3.8.1.1 Strengths:

- a. Customer centricity culture by staff;
- b. Skilled and knowledgeable staff and Board on HELB operations;
- c. Strong leadership and governance structure;

- d. Local and international goodwill and recognition;
- e. Being the only Government agency for financing higher education;
- f. Competitive products and services;
- g. Leverage on technology;
- h. Mandate anchored on law/ enabling legislative environment.

3.8.1.2 Weaknesses:

- a. Over dependency on Exchequer support;
- b. Weak loan compliance/inspection mechanism;
- c. Inadequate human resources and operating environment;
- d. Sub optimal integrated ICT;
- e. Under developed knowledge management system;
- f. Low financial literacy and product knowledge by the market;
- g. Insufficient risk analysis and management system;
- h. Inadequate communication with stakeholders;
- i. Underutilization of available big data;
- j. Lack of engagement policy with partners

3.8.2 EXTERNAL ENVIRONMENT ANALYSIS

The analysis of the external environment of HELB focuses on five key dimensions, namely, Political, Economic, Social, Technological and Legal (PESTL). The outputs of the PESTL analysis are the key opportunities (positive or favorable conditions existing in the external environment) and threats (negative or unfavorable conditions). Below is the summary of the opportunities and threats.

3.8.2.1 Opportunities:

- a. Potential to attract financial support and other resources from development partners;
- b. Government of Kenya support
- c. GOK 'Big Four' Agenda-HELB to find its space;
- d. Technological Advances for enhancing innovation and efficiencies (FinTech);
- e. Knowledge and fast developing informal sectors that can be tapped into for loan recovery;

- f. Widening financial market;
- g. Growing Customer base;
- h. Enabling legislative framework;
- i. Success of devolution which has created many opportunities;

3.8.2.2 *Threats:*

- a. Political interference with the operation of HELB;
- b. Changes in Government policies;
- c. Delay in finalization of review of the HELB Act;
- d. Competing Government priorities;
- e. Decreasing number of students qualify to be admitted to the university;
- f. Macro-economic risk –inflation, interest rate, and forex risk;
- g. Unemployment/under employment and increasing poverty trends;
- h. Competition from financial institutions and other financing agencies;
- i. Migration of loanees to other countries;
- j. Technological risks due to advanced technological use.

3.9 *STAKEHOLDERS ANALYSIS*

HELB recognizes the existence of a number of stakeholders with diverse interests and influence on the conduct of its activities. The major stakeholders identified include students, staff, government, the industry, development partners, corporates and other institutions of higher learning, all who will contribute to the performance of HELB. The table below outlines the expectations of both the stakeholders and HELB.

Stakeholder	Stakeholder Expectations	HELB Expectations
Students	<ul style="list-style-type: none"> • Quality and efficient services delivery • Availability of finances or loans for their education • Adequate funding • Healthy, safe and secure service provision environment • Defined programmes schedules and on time payment 	<ul style="list-style-type: none"> • Quality and efficient services delivery • Availability of finances or loans for their education • Adequate funding • Healthy, safe and secure service provision environment • Defined programmes schedules and on time payment
Staff	<ul style="list-style-type: none"> • Sustainability of HELB • Healthy, safe and secure working environment • Security of tenure and defined career progression • Training and development opportunities • Welfare services • Equity, Transparency and Fairness • Adequate remuneration structure 	<ul style="list-style-type: none"> • Commitment to achievement of HELB goals • Protection of the HELB brand • Loyalty and sustainable service • Quality Customer service • Adherence to core values • Positive culture • High performance standards
Government	<ul style="list-style-type: none"> • Quality human resource capacity for National development • Proper utilization and accounting of government contributions • Quality services • Financial products innovation • Compliance with set laws, rules, regulations and directives 	<ul style="list-style-type: none"> • Regular and adequate funding • Development of policies that contribute positively to the governance of the institutions • Enabling working environment • Peace and stability • Sound Macroeconomic policies
Financers and all Strategic Partners	<ul style="list-style-type: none"> • Efficient use of donations and grants • Funded project outputs • Professionalism & integrity in fund management • Sustainability 	<ul style="list-style-type: none"> • Sustained funding • Adherence to signed Memorandums of Understanding and SLAs • Sustained partnerships
Institutions of higher learning	<ul style="list-style-type: none"> • Adequate financial support for students • Financial Solutions to development and operational problems. • Effective policies • Effective communication 	<ul style="list-style-type: none"> • Sustainable partnerships • Collaboration • Effective communication • Support in policy implementation • Responsibility & Accountability

Stakeholder	Stakeholder Expectations	HELB Expectations
Competitors	<ul style="list-style-type: none"> Fair competition for potential financiers 	<ul style="list-style-type: none"> Fair competition for potential funds

HELB as an institution strongly believes that the stakeholders identified are critical to the realization of its vision. The Board will carry out stakeholder analysis on a continuous basis in order to identify changing needs to ensure cooperation and support in the achievement of its Mission and realization of its Vision. In order to address the issues presented by internal and external environment, HELB will put in place risk mitigating strategies to ensure that these issues do not hinder the Board from achieving its goals.



2018 Employers Engagement Forum



ARE YOU SALARIED?

Create the future you dreamed of with

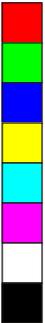
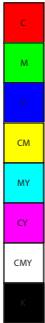
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CHAPTER FOUR

HELB AGENDA 2019-2023 PILLARS

4.1 INTRODUCTION

Based on the analysis of Global, Continental and Kenya's development agenda, findings on engagement with our customers and stakeholders and the evaluation of the HELB Strategic Plan 2013-2018, the issues that need to be addressed in the next plan period dubbed HELB Agenda 2019- 2023 will focus on customer centricity. The main outcome from the voice of the customers and stakeholders surveys were that HELB should:-

- i. Increase loan allocation, ease the loan application process, improve on loan allocation criteria to capture the most deserving cases and ensure timely disbursements of allocated funds;
- ii. Increase and improve communication channels and have constant communication with the customers and stakeholders;
- iii. Ensure the operating system is efficient, available and user friendly;
- iv. Improve on data management to ensure accuracy at all times;
- v. Decentralize HELB services and empower customer service agents; and
- vi. Address the welfare of the internal customers.

To address the emerging issues resulting from the situation analysis, customers and stakeholders' feedback and implementation of the 2013-2018 Strategic Plan, four pillars have been identified with the central point being Institutionalization of customer centricity. The four pillars are;

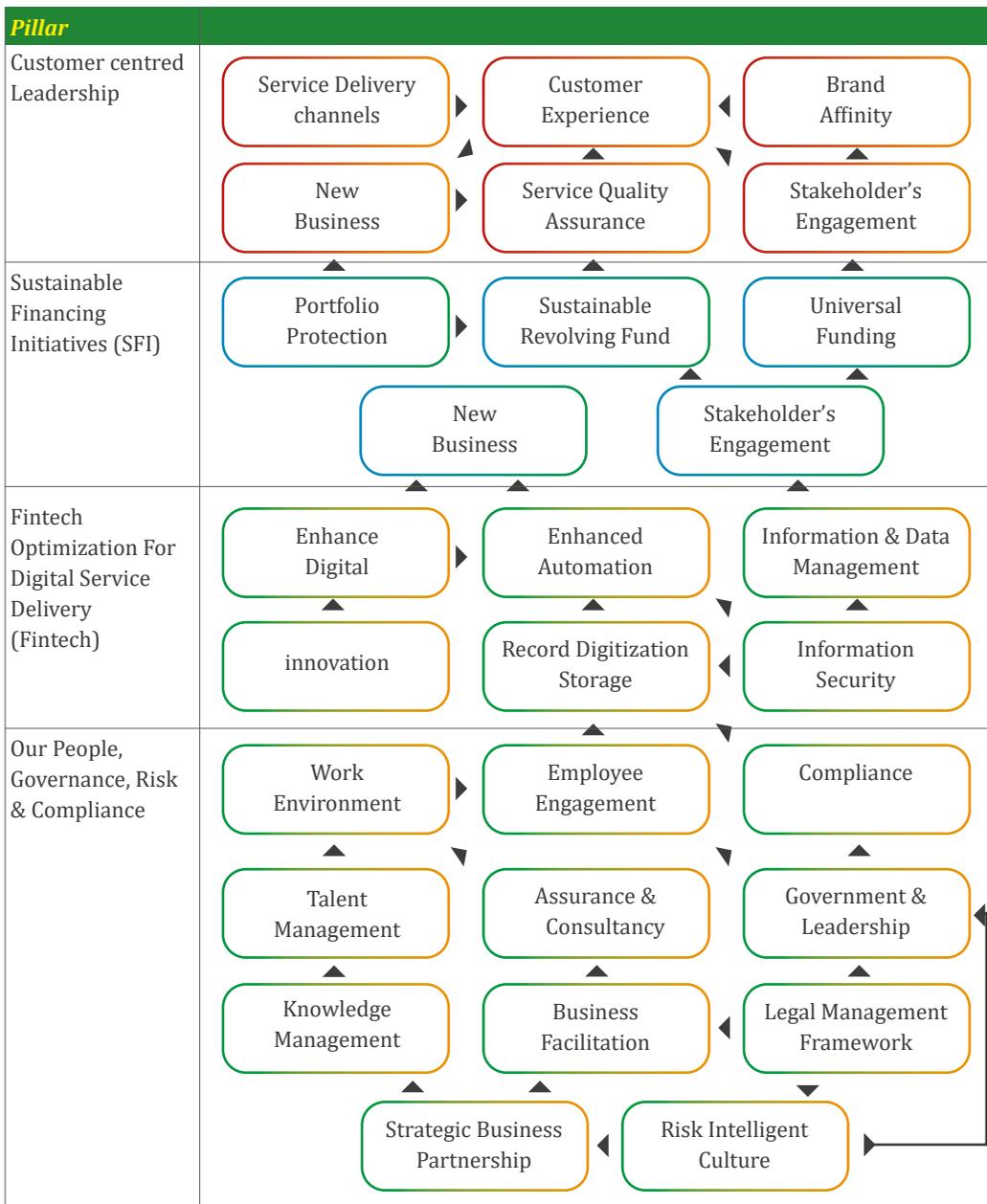
- i. *Customer Centered Leadership (CCL)*: "Delivering on the Customer Promise";
- ii. *Sustainable Financing Initiatives (SFI)*: "Impactful financing of Students through optimal resource mobilization";
- iii. *FinTech Optimization for Digital service delivery (FinTech)*: "Deepen, Broaden and Enhance Innovative Technologies that deliver First Class Customer Service"; and
- iv. *Our People, Governance, Risk & Compliance*: "Make HELB a Great Place to work in by investing in Our People while propelling it to a Risk Intelligence Organization through ensuring adherence to Governance, Risk and Compliance Model".



STRATEGY ROAD MAP

In implementing this strategic plan, the Board, Management and staff will heavily rely on a comprehensive Strategic map supported by detailed Key Results Areas (KRAs) in an effort for HELB to achieve its mandate, vision and mission. The Strategy map captures the Board and Management visualization of the strategy clearly to ease communication to staff and stakeholders. Composed of two columns of Pillars and Key Results Areas, the matrix is composed of clear rows which elaborate the individual KRAs that the Board will pursue to realize HELB Agenda 2019- 2023. a







During the next 5 years, I will dedicate the energy, time and resources of my Administration to the Big Four.

The **Big Four** will create jobs, which will enable our people to meet their basic needs. Jobs will transform the lives of our people from that of hardship and want, to new lives of greater comfort and wellbeing. **And that is the future I have seen.**



#KenyaMbele

Uhuru Kenyatta
PRESIDENT OF THE REPUBLIC OF KENYA

Building on the progress made so far since 2013 and with the aim of accelerating industrialization and further transforming the lives of Kenyans, the Government has prioritized policy objectives under ‘The Big Four’ agenda for faster growth of the economy.

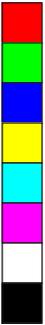
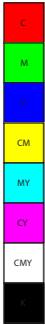
HELB will anchor its support of the Big4 as a key enabler by financing skills to support the Big4 and Vision 2030 through annual student loan budget proposals in this Strategic Plan –

HELB Agenda 2019 - 2023



4.2 INTEGRATING NATIONAL, CONTINENTAL AND GLOBAL DEVELOPMENT AGENDA IN HELB AGENDA 2018 – 2023
 a) The Big 4 Aligned Initiatives

FOCUS AREA		GLOBAL TARGET	HELB INITIATIVES	Budget (Kshs) Projected Growth Of 15% YA. (Baseline 2017/2018)			
Total Student Loan Budget				17/218	17/218	17/218	17/218
MANUFACTURING	Cotton Industry	500,000 New Cotton Jobs	Finance students in Agribiz and cotton technology in TVETs and University - 4,000	11.4B	13.8B	15.9B	18.2B
	Apparel Industry	100,000 new apparel jobs	Finance students in apparel technology in TVETs & universities - 2,000				21B
	Leather	50,000 new leather jobs	Finance students pursuing leather value chain & technology in TVETs & Universities - 2,000				
	Agro-Processing	200,000 new agro-processing jobs	Finance students Agriculture studies in TVETs & Universities - 5,000				
	Construction Materials	10,000 new jobs	Finance of Engineering, Technical students in TVETs & Universities - 8,000	1.7B	1.9B	2.2B	2.58B
	ICT - Phone Laptop & TV Assembly	10,000 New Jobs	• Finance ICT Students in Universities - 5,000 • Provide Laptop Loan to all University Students - 200,000				3B
	Fish Processing	20,000 new jobs	Finance Students in marine Engineering in TVETs & Universities - 1,000 specifically blue economy sector				
	Industrial parks/ Zones	50,000 new jobs	Finance Humanities and STI Students in TVETs & Universities - 10,000				
	Standards	Train 500 inspectors for MV center	Finance of automotive Engineers in TVETs - 2,000				
	Jobs Created	1,500,000 Direct Jobs	Finance Over 30,000 Agriculture Studies Students in TVETs & Universities Amounting to Kshs 1.3Bn Per Year	1.3B	1.4B	1.6B	1.8B
FOOD & NUTRITION SECURITY	Human resources for Health (HRH)	Reduce human resources for health (HRH) gap to achieve WHO's staffing norms & standards	Finance over 40,000 health care workers students in KMTCs and universities amounting to Kshs. 1.5Bn per year growing progressively at a minimum of 15%. The students are undertaking medicine, nursing, radiology courses.				
	Jobs created	350,000 new housing jobs	Finance over 40,000 building construction and engineering students amounting to Kshs. 2.2Bn per year in TVETs and universities covering various courses supporting the sector - Plumbers, electricians, masons, architects, quantity surveyors among others	1.4B	1.6B	1.8B	2.1B
UNIVERSAL HEALTH CARE (UHC)	Achieve 100% UHC (from 16.5m people to 51.5m by 2022)						
	Jobs created						
HOUSING	1 Million homes programme						
	Jobs created						



3.6.4 HELB ALIGNMENT TO SDGs



Based on 2016 estimates, only 45 per cent of the world's population was effectively covered by at least one social protection cash benefit. Under Universal Financing initiative, HELB supports vulnerable groups who could otherwise have been left behind to access higher education, increase their productivity and to be self-reliant in future. Bursaries, Scholarships and special funds for the marginalized areas and vulnerable. Equally, we provide self-insurance services that help improve the quality of the book.



The proportion of undernourished people worldwide increased from 10.6 per cent in 2015 to 11.0 per cent in 2016. This translates to 815 million people worldwide in 2016, up from 777 million in 2015. HELB upkeep stipend to the students is towards an effort of reducing hunger in Tertiary/University colleges students. During the plan period deliberate effort will be done to enhance upkeep stipend to students.



Health systems and funding: Available data from 2005 to 2016 indicate that close to 45 per cent of all countries and 90 per cent of least developed countries (LDCs) have less than one physician per 1,000 people, and over 60 per cent have fewer than three nurses or midwives per 1,000 people. To address this global phenomenon, HELB has mobilized resources from development partners, Counties, and Corporates towards supporting health related courses through the Afya Elimu Fund. During the last plan period over 21,000 Healthcare workers have been funded by AEF at a total cost of Kshs. 1.7B. Under HELB Agenda 2019 – 2023 there will be deliberate plans scale up AEF to Universally fund all applicants in this category.



The lack of trained teachers and the poor condition of schools in many parts of the country are jeopardizing prospect for quality education for all. Sub-Saharan Africa has a relatively low percentage of trained teachers in pre-primary, primary and secondary education (44 per cent, 74 per cent and 55 per cent, respectively). Moreover, the majority of schools in the region do not have access to electricity or potable water. HELB support skills development for educationists in institutions of higher learning.



Women are still underrepresented in managerial positions. In the majority of the 67 countries with data from 2009 to 2015, less than a third of senior- and middle-management positions were held by women. HELB has been proactive to ensure women have an equal opportunity be it in management or the board. Looking ahead deliberate effort of gender balance to all staff cadres to the Board level will be reinforced and tracked.



The global unemployment rate in 2017 was 5.6 per cent, down from 6.4 per cent in 2000. Youth are three times more likely to be unemployed than adults, with the global youth unemployment rate at 13 per cent in 2017. During the plan period HELB will deliberately finance the relevant skills in STEMI that increase chances if youth employability and productivity. Similarly, HELB is through training and mentorship enhancing opportunities to encourage both vertical and horizontal staff growth.



On the basis of data from 65 developing countries, the average percentage of schools with access to computers and the Internet for teaching purposes is above 60 per cent in both primary and secondary education. However, the share is less than 40 per cent in more than half of sub-Saharan countries with data. Innovation is a key HELB etho. Under HELB Agenda 2019-2023, effort to increase youth productivity & innovation with provision of devise loans is planned.



The voices of developing countries still need to be strengthened in decision-making forums of international economic and financial institutions. To be able to reduce poverty levels, inequalities have to be contained first. In HELB we believe all eligible students have a right to sufficient

financing. Inequality is also fought in the workplace either by age or gender. HELB CSR activities also support this goal.



Almost one in five firms worldwide report receiving at least one bribery payment request when engaged in regulatory or utility transactions. HELB has taken a leap in embracing best practices in corporate and risk management, to comply with the PFM Act, PPOA and other Guidelines issued by The National

Treasury and the parent ministry of Education. HELB adopts zero appetite for all forms of corruption, bribery and unethical behaviors.



Goal 17 seeks to strengthen global partnerships to support and achieve the ambitious targets of the 2030 Agenda, bringing together national governments, the international community, civil society, the private sector and other actors. Our partnership with Development partners,

Counties/Constituencies, Corporates and individuals in our External Resource Mobilization seeks to achieve sustainable and impactful relationships to enhance funding to youth for skills development.

4.2 THE PILLARS AND THE IMPLEMENTATION MATRIX

This section explains in details each pillar and how it will be implemented by providing the various Key Results Areas (KRA), Strategic Objectives (SO), Strategic initiatives, activities, key performance indicators and the target for the five year of the plan.

4.3.1 Customer Centered Leadership: "Delivering on the Customer Promise"

Strategic Objective: To improve the current customer satisfaction index of 71% by 500 basis points by 2023.

It is recognized that memorable, delightful and impactful customer experience is the differentiating factor across organizations world over in a bid to win the hearts and minds of customers. Moreover, as HELB turns 25 years in July 2020, a brand health check and a holistic brand refresh will be pertinent in line with emerging trends in centennial customer dynamics as well as technological advancement such as artificial intelligence. HELB has therefore made a conscious decision to focus on customer centered leadership by addressing these emerging customer needs.

This pillar thus seeks to deliver on the customer promise by appreciating customer needs in order to achieve the overarching vision of Universal Higher Education Financing by 2023. Customer Experience and Technology Integration will be integral in refining the HELB brand promise whilst improving the quality of service delivery. Among the proposed initiatives to achieve this include; the optimization of the contact center, undertaking comprehensive customer journey mapping, effective segmentation and promoting proactive customer feedback mechanisms which will provide insights, trends, patterns and behaviors that will inform policy and process flexibility for end to end customer needs.

Other areas that will be addressed during the plan period includes, continuously sensitizing customers on the HELB brand & products, innovating & implementing new channels of communication, proactively engaging & maintaining relationships with stakeholders and regularly tracking the voice of the customer & acting on their recommendations. All these are expected to propel HELB towards customer centricity. Besides promoting customer experience excellence, these initiatives will ensure HELB continues to empower dreams of Kenyan youth by financially facilitating them to acquire the requisite skills thereby enhancing HELB contribution towards the Government’s Big Four Agenda.

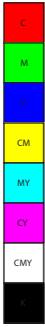
This will ultimately contribute towards increasing the customer satisfaction index by 500 basis points from 71% in 2018 to 76% by 2023.

Here below is the implementation matrix for this Pillar

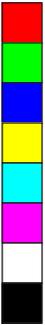
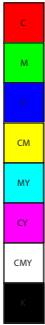


Strategic Objective: To improve the current customer satisfaction index of 71% by 500 basis points by 2023

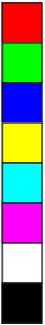
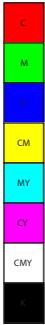
Key Result Area (KRA)		Initiatives	Activities	KPIs	Targets
Customer Experience	Reduce Customer Pain Points	Champion regular review and adherence to HELB Service Charter	Streamline service efficiency at Customer Touchpoints	No. of Service Charter Compliance report	Quarterly(4)
				No. of reviews done	One (1) Review in FY 2020/21
				Adherence at 100%	Grow by 40% by 2023
				Customer Experience Excellence Council established and operationalized	By 30th June 2019
				%age Reduction in Turn Around Time(TAT)	25%by 30th June 2023
				%age Improvement in First Contact Resolution [FCR]	Grow from 60%to 85% by 30th June 2023
				No. of services Decentralized	10
				No. of reports to the Ombudsman	Quarterly reports (4)
				%age Compliance annual score from Ombudsman	≥95%
				Enrich tracking of the Voice of the Customer	Conduct Voice of Customer Surveys
Customer Satisfaction [C-SAT] Score	Grow from 71% to 76% by FY 2022/2023				
No. of feedback channels	2 annually				



Strategic Objective: To improve the current customer satisfaction index of 71% by 500 basis points by 2023					
Key Result Area (KRA)	Initiatives	Activities	KPIs		
			Targets		
Stakeholder engagement	Expansion of customer touch points	Expand HELB presence in Huduma Centers	No. of Customer Experience Town Hall Meetings with staff Feedback report and findings established & implemented No. of Huduma Centers set up	Biannually Quarterly 20 new centers by 2023	
		Introduce New Digital Channels for Customer Experience	No. of Channels	One channel per year	
	Enhance Service Delivery	Promote alternative service delivery channels	No. of self Service Kiosks / Liaison Offices, Agency with cyber café'	10 new channels by 30th June 2023	
		Consolidate Customer Touch Points	Operationalize da one – stop Shop loan recovery Customer Experience Centre	By 31st December 2019	
			Tech Driven 360 degree View of the Customer by deploying CRM Sales & Marketing Module	Aligned all customer touch points handling Customer Experience for service standardization	By 30th June 2020
				Accurate Customer Data Analytics in CRM/ AX	By 31st July 2019
				CRM sales & marketing module operationalized	By 30th June 2020
				Maintain an interoperable and up to date website-	Continuous
				Approved framework	By 30th June 2019
				Develop and Operationalize a Stakeholder Engagement framework	

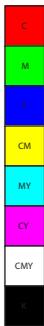


Strategic Objective: To improve the current customer satisfaction index of 71% by 500 basis points by 2023				
Key Result Area (KRA)	Initiatives	Activities	KPIs	
			Targets	
Brand Affinity	Promote the HELB Brand, Products & Services	Create safe spaces for youth engagement	No. of forums	225 by June 2023
		Enhance loan uptake through in-depth grassroots stakeholder engagement	No. of mashinani initiatives undertaken [if not undertaken through Huduma secretariat then it should be facilitated by HELB]	20
		Maintain accountability to the stakeholders-	Annual Reports	5
		Maintain and establish strategic affiliation	%age maintenance New established	100% annually 4 annually
		Publish and distribute info pack for HELB products	No. of Publications	One(1) per forum
	Brand recognition	Media campaign	No. of campaign	Three (3) per year
		Build strategic media relationships for positive PR	%age growth in Positive Tonality in the media	Grow from 60% to 70% by 30th June 2023
		Promote the HELB Brand	Refresh the look and feel of HELB work spaces/vehicles	By 30th June 2021
		HELB rebrand	HELB Brand Health Check survey	By 30th June 2019
			Approved HELB Brand Manual Launch new HELB Logo during HELB@25Years	By 31st Dec 2019 By 31st July 2020
Service delivery Channels	Optimize communication Channels	Refresh Look & Feel of the Contact Centre Space according to Best Practice	Contact Centre seating capacity of 36 staff	By 31st December 2018



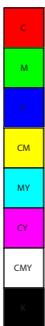
Strategic Objective: To improve the current customer satisfaction index of 71% by 500 basis points by 2023

Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets
		Optimize Unified Contact Centre Enterprise [UCCE] functionality for commercial contact Centre	Holistic UCCE Solution deployed	By 30th June 2020
		Market the contact center to operate a Business Processing Outsourcing (BPO) for other state agency at a fee	No. of State agencies brought on Board under BPO	Four (4) by 30th June 2023
		Optimize Contact Centre Operations	Extended working hours for Contact Centre	By 31st July 2019
		Lead & Opportunity generation management	Operationalized out bound team at the Contact Centre to close on both Continuing Education loans sales and recovery leads	By 31st March 2019
		Leverage on digital media to enhance business growth e.g. Landing Pages for Leads	CRM Sales & Marketing Module operationalized	By 31st July 2019
		Leverage on digital media to enhance business growth e.g. Landing Pages for Leads	No. of Reports	Quarterly (4)
		Leverage on digital media to enhance business growth e.g. Landing Pages for Leads	No. of Reports	Quarterly (4)
		Maintain regular and value adding communication with all customers	Introduce and operationalize templates for business unit engagement	No. of Templates



Strategic Objective: To improve the current customer satisfaction index of 71% by 500 basis points by 2023

Key Result Area (KRA)		Initiatives	Activities	KPIs	Targets
Service Quality Assurance [CXQA]	Enhanced service delivery quality assurance	Maintenance of ISO 9001:2015	Valid ISO certificate –Surveillance audit reports	One (1) Annually	
		Adopt the International Standard for Service Excellence [TISSE]	TISSE Certification	By 30th June 2022	
New Business Initiatives	Incorporate Artificial Intelligence to ensure 24/7 service provision	Develop and implement a service quality assurance framework across all customer touchpoints	Approved Framework Quality Assurance Reports	By 30th June 2019 Quarterly(4) beginning FY 2019/2020	
		Develop Service delivery bots	Deployed Bots	By 30th June 2020	
		Develop web chats	Web Chat implemented	By 31st Dec 2019	
		Develop USSD & SMS Gateway	Gateway deployed	By 31st Dec 2018	
		Develop & implement an intranet	Functional intranet	By 31st Dec 2019	
		Automate ERP messaging & e-notification to customers	Auto notification implemented	By 30th June 2019	



4.3.2 Sustainable Financing Initiatives (SFI): "Impactful financing of Students through optimal resource mobilization"

Strategic Objective: To align student financing to the realization of 'Big Four' Agenda while progressively working towards sufficient funding to eligible students to 100% through 10% annual growth in student loan budget.

The mandate of the Board is to source for funds and disburse to Kenyan enrolled in the institutions of the higher learning. Over the years the budget financing has mainly been from the Exchequer (60%) and loan recovery (40%). The demand for loans both in terms of the numbers of students seeking funding and adequacy of the loan has continued to rise. This has not been matched with increase in sources of funding due to various competing priorities for the Exchequers mainly provision of basic needs for the citizens such as health, security and food.

Financial sustainability is key to the realization of this strategic plan through creation of a Self-Sustainable National revolving fund anchored on prudent financial management & stewardship, integrity & accountability, optimization of loan recoveries, resource mobilization through exchequer funding and strategic partnerships. This will increase access to student financing in higher education through efficient and effective processing and disbursement of funds to students and institutions of higher learning. To enhance sustainability and growth of the revolving fund, HELB will mitigate risk through proper documentation of loans and creation of a self-protection scheme.

HELB will continuously endeavor to reduce the portfolio at risk through comprehensive loan appraisal and aggressive debt management strategies. Consequently, the Sustainable Financing Initiatives pillar lays a key foundation in driving the HELB Agenda 2019-2023 towards the realization of the Big 4 Agenda and promotion of National Development goals.

During the plan period the Board will seek to progressively increase the average loan allocated to student per year by 5% thus increasing the student budget by 10% per year as the Board seek to progressively achieve universal funding by financing

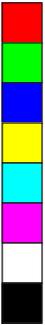
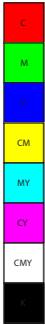
all applicants with adequate amount to cater for the rising cost of living and increasing college fees as the institutions continue to progressively implement the Differentiated Unit Cost (DUC) model of financing.

Due to the high level of unemployment and migration of beneficiaries to the diaspora for greener pastures, the defaulting beneficiaries have continued to increase currently standing at 61,700 beneficiaries holding a total of Kshs 6.6B. During the plan period the Board will step up efforts to recover the loans from the defaulters by increasingly engaging beneficiaries who have migrated to the diaspora, tracing and bringing into the repaying brackets beneficiaries working in the informal sector, engaging strategic partners for support in loan recovery and enhancing compliance through intensive inspection.

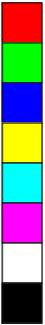
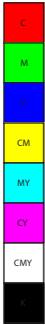
To address the issue of over reliance on exchequer funding the Board will engage other higher education financiers and seek to enter into partnership and centralize higher education financing to be managed by the Board using the already elaborate system on applicant's needs identification, disbursement and recovery of mature loans. This will ensure that no beneficiary is over funded and higher education financing is sustainable through the establishment of a National Higher Education Revolving fund. This will facilitate the transformation of the Board to a Tertiary Education Funding Corporation.

Strategic Objective: To align student financing to the realization of 'Big Four' Agenda while progressively working towards sufficient funding to eligible students to 100% through a 10% annual growth in student loan budget.

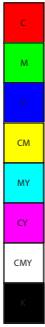
Key Result Area (KRA)		Initiatives	Activities	KPIs	Targets(5 years)
Sustainable Revolving Fund	Grow loan recoveries by 10% annually	Reduce the Portfolio at Risk (PAR)	Reduce PAR by 2% annually	Reduced PAR by 2% annually	PAR of 20% by 30th June 2023
		Enhance loan recovery from diaspora	Amount recovered	Amount recovered	275M by 30th June 2023
		Revamp the informal sector loan recoveries	Amount recovered	Amount recovered	7.33B by 30th June 2023
		Enforce compliance of loan repayment	% of total accounts performing	% of total accounts performing	80% by 30th June 2023
		Review debt collectors management	Amount Recovered	Amount Recovered	2.76B by 30th June 2023
		Increase the number of repayment channels	No. of new Channels developed	No. of new Channels developed	5 by 30th June 2023
		Prosecution of defaulters	No. prosecuted	No. prosecuted	5 by 30th June 2023
		Introduce community ambassadors	No. of active Ambassadors	No. of active Ambassadors	94 by 30th June 2023
		Develop new incentive based loan recoveries approach	Number of New Incentives developed	Number of New Incentives developed	3 by 30th June 2023
		Intensify data management and utilization	No. of Trainings & Analytical tools acquired	No. of Trainings & Analytical tools acquired	Response & feedback
Develop innovative approaches for sector specific loans	Annual departmental Action plans	Annual departmental Action plans	Annually		



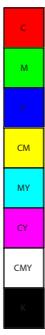
Key Result Area (KRA)		Initiatives	Activities	KPIs	Targets(5 years)
Financial Management and Stewardship	Increase Operational Efficiency and Turn Around Time (TAT)	Provision of Timely and accurate receipts, payments and Bank Reconciliations	Accurate and Timely Payments	TAT	24 hours
			Accurate and timely bank reconciliation	TAT	72 hours
			Formulation of annual Budget aligned to Big Four and other National Development Plans	TAT	48 hours
			Smartcard Implementation	Aligned & approved timely budget	Aligned & Approved annual budget
			Data Remediation	Number of institutions on smartcards	100%
	Increase cost Efficiency Index by 0.5 Annually	Fixed assets Management	Monitoring and evaluation of Budget	% of budget absorbed	99%
			Develop and implement effective financial/cost management frameworks.	% of assets Tagged, Valued, Verified and Updated in the Fixed Asset Register	100%
			Establish ALCO	Progressive reduction Cost Efficiency Index	0.7 by 30th June 2023
	Grow Revenues annually Grow Balance Sheet by 10% Annually	Operationalize ALCO			By 31st December 2018



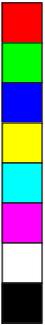
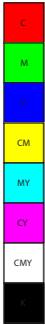
Key Result Area (KRA)		Initiatives	Activities	KPIs	Targets(5 years)
External resource mobilization	Grow the amount of funding from External Resources by 10%	Prudent Treasury Management Increase Miscellaneous Income Engagement of Government on Capitation increase Grow total Assets Mobilize External Resources through /from	<ul style="list-style-type: none"> • Cryptocurrency • Donors • Corporates • Training Institutions • HELB Alumnae • Crowdfunding • Government Agencies • Diaspora • Foundations & Trusts • Counties • Constituencies • High Net worth Individuals 	Liquidity Ratios	1:1
			<ul style="list-style-type: none"> • Cryptocurrency • Donors • Corporates • Training Institutions • HELB Alumnae • Crowdfunding • Government Agencies • Diaspora • Foundations & Trusts • Counties • Constituencies • High Net worth Individuals 	Kshs. 'M'	1,592 by 30th June 2023
			<ul style="list-style-type: none"> • Cryptocurrency • Donors • Corporates • Training Institutions • HELB Alumnae • Crowdfunding • Government Agencies • Diaspora • Foundations & Trusts • Counties • Constituencies • High Net worth Individuals 	Kshs. 'B'	85B by 30th June 2023
			<ul style="list-style-type: none"> • Cryptocurrency • Donors • Corporates • Training Institutions • HELB Alumnae • Crowdfunding • Government Agencies • Diaspora • Foundations & Trusts • Counties • Constituencies • High Net worth Individuals 	% Growth in Total Assets	10% annually
			<ul style="list-style-type: none"> • Cryptocurrency • Donors • Corporates • Training Institutions • HELB Alumnae • Crowdfunding • Government Agencies • Diaspora • Foundations & Trusts • Counties • Constituencies • High Net worth Individuals 	Amount mobilized from External Sources in Kshs	1.25B by 30th June 2023
		Grow the number of sector specific funds (SSFs) in line with the 'Big Four' Agenda Lobby for Treasury/KRA to allow donations to HELB to be tax –allowable Set up a savings scheme	Increased number of SSFs Donations to HELB being tax allowable Savings Scheme Established	5 by 30th June 2023 By 30th June 2020 By 30th June 2021	



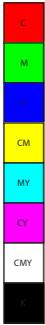
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets(5 years)
Portfolio Protection	Implement a self-protection scheme (SPS)	Lobby for Treasury and Capital Market Authority support in floating an Education bond as a social bond	Education Bond Floated	By 30th June 2022
		Increase number of strategic partners	New strategic partners	15 by 30th June 2023
		Increase number of beneficiaries of External Funds	Number supported	15,000 by 30th June 2023
Portfolio Protection	Implement a self-protection scheme (SPS)	Prepare accountability statements for each fund	Quarterly Accountability Reports	One month after end of each quarter
		Develop Self Protection Scheme Operationalization documentation	Approved Policy Document and Operational Manual	By 30th June 2019
		SPS system acquisition and set up	System in place	By 30th June 2019
Portfolio Protection	Implement a self-protection scheme (SPS)	Deduct First Time Applicants(FTA) & Subsequent Applicants (SA) premiums	FTA /SA Undergraduate and TVET covered	By 30th June 2019
		Onboard Continuing Education (CE) fund under the SPS	CE covered under SPS	By 30th Sep 2019
		Invest the SPS Deductions	Amount of Investment Income	30M by 30th June 2023
Portfolio Protection	Implement a self-protection scheme (SPS)	Develop Self Protection Scheme Operationalization documentation	Approved Policy Document and Operational Manual	By 30th June 2019



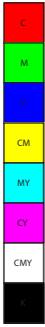
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets (5 years)
Universal Funding	Grow student budget & number of students funded	Increase average loan allocation per student by 5% annually	Increased student per capita loan	Average loan Kshs.55,963 by 30th June 2023
			Mean Testing Instrument (MTI) compliance report	100% compliance
			Increased budgetary allocation and mobilization.	10% increase in the Approved student loan budget annually
			Number of students funded.	360,056 students by 30th June 2023
			Reviewed loan awards bands	Average loan Kshs.55,963
			Data on retention and dropout	100% retention
	Align student funding to 'Big Four' agenda & Science Technology Engineering Mathematics Innovation and Fisheries (STEMIF)	Identify & segment courses per agenda & Review MTI to allocate more to STEMIF	Number of loan awards to STEMIF programs	205,421 students by 30th June 2023
		Increased funding to 'Big Four' related courses	Differentiated loan support for the 'Big Four' courses	Loan award annual reports
	Marketing of products	Strategy Review to increase market penetration	New brand name & office space	By 30th June 2019
		Product marketing	Reviewed and approved marketing strategy	By 30th June 2019



Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets(5 years) 2018/2019 and 2022/2023	
	Enhance TVET coverage Customer centric credit administration	Review Credit Policy (include self-employed, short courses,)	Reviewed Credit policy	2018/2019 and 2022/2023	
		Review Product Pricing (interest) to CBK base lending rate+1	Reviewed product pricing	CBK base lending rate+1	
		Review of internal process(TAT)	Streamlined internal process	Continuous	
		Strategic partnerships(Institutions, White-list employers)	Employer's credit score	Continuous	
		Increase coverage of more TVET institutions(Ministry of Education & other Ministries affecting 'Big Four' agenda)	Marketing Strategy/ plan	Increase enrolment to 250,000 applicants per year by 30th June 2023	
			Increased average loan & include upkeep allowance	Average loan ksh.40,000 by 30th June 2023	
		Improve internal processes Devolve services to Huduma centers] and regional centers. Improve allocation & disbursement Turnaround time Automation and Process re-engineering Automation and Process re-engineering	Improve internal processes	Faster Turn Around Time	60hours
			Devolve services to Huduma centers] and regional centers.	marketing & verification of forms	Two(2) services
			Improve allocation & disbursement Turnaround time	Availability of online services	100% online services
			Automation and Process re-engineering	Smartcard utilization	100% smartcard utilization
Automation and Process re-engineering	Smartcard utilization	Smartcard utilization	100% smartcard utilization		



Key Result Area (KRA)		Initiatives	Activities	KPIs	Targets(5 years)
		Improved loan application process	Review loan application procedure and process	Reviewed and efficient product application processes	100%
		Conversion of HELB into a Tertiary Funding corporation	Seek approval for the legal and regulatory framework	Operational Tertiary Funding Corporation	By 30th June 2023



4.3.3 FINTECH Optimization for Digital Service Delivery: “Deepen, Broaden and Enhance Innovative Technologies that Deliver First Class Customer Service”

Strategic Objective: To increase business efficiency through leveraging on technology by developing and implementing at least four service delivery innovations and at least three business process improvements annually while achieving 95% system availability by 2023.

To realize the FINTECH pillar, the Board seeks to broaden its digital financial service offerings by keeping pace with emerging and trending ICT technologies that promote operational efficiency by embracing competitive and Innovative solutions to Deliver First Class Customer Service.

In order for the Board to fully exploit the current and future business automation needs aligned to the FINTECH pillar, eight strategic thematic areas have been crafted to ensure an all-round plan premised on efficiency, return on investment, IT Governance, and guaranteed business continuity. The thematic areas to the next truisms are as follows:

Integrated Business systems ●●●

There is compelling need to offer integrated online services, mobile and self-service facilities anchored on a robust ERP system through a seamless enterprise bus to all HELB clients for increased efficiency and effectiveness of business operations in a cost effective way

ICT infrastructure ●●●

There is need to evolve ICT infrastructure in order to ensure good performance, scalability, and continuous availability of business systems while protecting corporate data, and thus ensure continuity of business operations. This will be achieved by implementing appropriate technologies, based on flexibility, simplicity and standards-driven reference enterprise technology architecture, for evolution to continuous availability of ICT systems, integrated backups and recovery of data as well as hot disaster recovery sites.

Enterprise information infrastructure ●●●

The need for enterprise information infrastructure is driven by the need to put emphasis on operational business activities based on risk analysis and intelligence-led decision-making. HELB need to become more proactive in its response to data received, relating data from one source to another, with the systems automatically reacting to any anomalies detected.

Business enablement through technology ●●●

To improve its ability to deliver services and enhance collection and compliance, HELB will need to leverage on existing and emerging Information Technologies (mobility, cloud computing, social technologies, Big Data/ Analytics, Artificial Intelligence (AI) to support, enable and optimize the business; to promote agility and improve business capability to deliver services, and to spend more on innovation through growth and innovation of ICT while managing ICT spend and agility trends, and thus 'lower' total cost of ownership (TCO) of ICT services.

ICT project management ●●●

ICT project management is critical to the enterprise to ensure projects are initiated or implemented within the project management framework in order to effectively enforce change, project management procedures, and discipline in planning, prioritization and selection of ICT projects, projects closure as well as knowledge transfer.

ICT risk management ●●●

HELB recognizes that risks are caused by people, systems and external events. These causes of risks trigger risk events, which may include fraud (internal or external), work place health and safety environment, business disruption and system failure, or damage to assets. ICT security risks have become a major global challenge and HELB is no exception.

There is need to address the key sources of risks through increased enforcement and awareness of ICT policy and standards while implementing effective application controls during systems design. Additionally there is need to ensure

adequate risk assessment in ICT processes and adherence to Enterprise Risk Management (ERM). Disaster recovery implementation is critical to ensure business continuity.

ICT service delivery ●●●

With the increasing business expectations and the need to get ahead of the curve in order to assure business value, strategies to embrace and institutionalize ICT as a Service (ITaaS) model will be implemented. Sound frameworks for service delivery such as ITIL will be adopted to bridge the gap between business and ICT as well as improve ICT operations, systems management for enhanced and efficient delivery of ICT services, while creating convergence of ICT staff and leveraging on outsourcing of services as necessary.

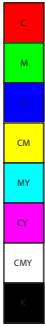
ICT governance ●●●

IT governance is concerned with ensuring the effective and efficient use of ICT in enabling the Board to achieve its business strategy. Governance, Risk and Compliance (GRC) is a key consideration in order to reduce overall ICT costs, increase business impact, improve quality of service, manage risk, and provide transparency. Additionally, business continuity framework is central to the growth and sustainability of the organization. Technology has become the major platform for service delivery. The clients of the Board are the knowledgeable Kenyans who have gone through the higher education hence expect to receive efficient services at the comfort of their desks. During the plan period the Board commits to increase provision of services through technology by enhancing the financial technology innovation, improving the current business process through internal business process re-engineering, implementing a robust data management system to ensure availability of accurate data at all times, establishing self-service kiosk, simplifying the loan application process, embracing cloud computing, facilitating utilization of the big data through the 3D model and digitizing all records as the Board seeks to achieve automation of 80% by the end of the plan period.

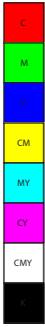
Here below is the analysis of the implementation matrix for this pillar;

Strategic Objective: To increase business efficiency through leveraging on technology by developing and implementing at least four service delivery innovations and at least three business process improvements annually while achieving 95% system availability by 2023.

Key Result Area (KRA)		Initiatives	Activities	KPIs	Targets(5 years)
Enhanced automation level	ERP stabilization Strategy	Improve Infrastructure Hosting RRP	Improve Infrastructure	Deployed Infrastructure	By 30th June 2019
		ERP Enhancement & stabilization	ERP Enhancement & stabilization	Stable ERP	By 30th June 2021
	Ensure integration between mobile tech, portals & core system	Improve Capacity to support ERP	Improve Capacity to support ERP	Improved Competencies	By 30th June 2020
		Development & deployment of appropriate APIs	Development & deployment of appropriate APIs	No of Functional APIs	4 by 30th June 2023
	Implement Insurance system	Loan application via mobile	Loan application via mobile	No of loan products on mobile technology	10 Loan Products by 30th June 2023
		Implementation of an Enterprise Service Bus (EBS)	Implementation of an Enterprise Service Bus (EBS)	Functional ESB	10 ESB connections by 30th June 2023
		Engage business for continuous review of the integrations	Engage business for continuous review of the integrations	Review committee in place	Quarterly (4)review meetings per year
	Insure and Manage premiums	Develop & implement a disaster recovery (DR) site	Develop & implement a disaster recovery (DR) site	No. of Systems with DR Site Implementation	Five(5) by 30th June 2023
		Implement Insurance system	Implement Insurance system	Insurance Management Module	4 by 30th June 2023
	Enhance system uptime	Ensure redundancy of critical systems	Ensure redundancy of critical systems	Systems Availability	95% by 30th June 2023



Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets(5 years)
Enhance Digital Service delivery	Enhance online linkages with strategic partners	Implementation of an intelligent dashboard for system availability reporting	Implemented dashboards	Six (6) Dashboards by 30th June 2023
		Ensure Information sharing	Frameworks for data sharing	Six (6) Operational frameworks by 30th June 2023
	Enhance customers self service	Implement strategic Partners' service portal	No. Strategic partners on-boarded	Ten (10) Strategic Partners by 30th June 2023
		Develop App and portal for customers	Stable self-service portal & Apps	By 30th June 2023
	Enhance Communication and Customer Service	Develop and implement a reconciliation tool	Automated reconciliation	By 30th June 2021
		Avail Braille applications, Voice Apps and products tailored towards other special needs	Special needs application systems	Two (2)2 by 30th June 2023
	Internet of things & big data	Review and implement customer service channels	Enhanced Communication and Customer Service	Six (6) by 30th June 2023
		Develop a framework for handling of internet of things & big data	Internet of Things utilization	Ten (10) Internet of Things (IOT) by 30th of June 2023
	Acquire standards for open connectivity	Adopt infrastructural standards that allow for open connectivity	Standards for open Connectivity in place	Five (5) by 30th June 2023



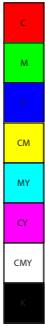
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets(5 years)
	Embrace cloud computing	Cloud technology adoption	Cloud Technologies adopted	Five (5) by 30th June 2023
	Enhancement of financial technology	Identify systems & or infrastructure to adopt cloud computing Identify appropriate technology to match the Fintech requirements Ensure total integration between mobile tech, portals & core system Implemented Straight Through Process for portal payment, bank statement and Mpesa payments Rollout the various Fintech	Identified services for Cloud Computing Fintech technology areas adopted Level of implementation	By 30th June 2023 Five (5) by 30th June 2023 100% implementation by June 2023
Information Security (IS)	Implement IS Security framework	Implement Access control	No of FinTechs Solutions rolled out	Ten (10) Fintech uptakes by June 2023
		Ensure web security	Secure IS infrastructure	Five (5) Access control Improvements
		Ensure internal application security	Secure Online Transactions	Three (3) Web security improvements by June 2023
		Built and maintain a robust disaster recovery site-(DRS)	Improved Cyber- security	4 Cyber Security Interventions
		Technology use controls	Functional DR Site	By 30th June 2019
				3 Ethical use Policies



Key Result Area (KRA)		Initiatives	Activities	KPIs	Targets(5 years)
	Access to Information & Network Security	Implement a syslog solution	Centralized Systems logging		By 30th June 2021
		Implement ISMS	ISMS Certification		By 30th June 2021
		Implement ISO 27000	Increased security awareness and governance		By 30th June 2022
		Implement a robust network security solution	Secure network		10 Network security implementations
Information and Data Management	Adoption of ICT Service Framework	Implement ICT service framework	Implemented ICT Service Framework		By 30th June 2019
		Carry Out Data Cleanup	Historical Data Cleaned		90%
		Enhance Clean Data capture	Clean data coming in		By 30th June 2022
		Establish an Enterprise Data Repository	Data Warehouse established		By 30th June 2022
		Use of analytical tools	No of Analytical Tools Implemented		8 By 30th June 2023
		Ensure Information sharing	Frameworks for data sharing		6 Operational frameworks
Innovation	Implement Artificial Intelligence (AI) solutions	Development & implementation of appropriate technology to harness the power of big data	Big data Utilization		By 30th June 2021
		Identify strategic areas for AI implementation	No of AI implementations		5 By 30th June 2023



Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets (5 years)
Records digitization and Storage	Create & maintain a conducive environment for innovation	Identify & re-engineer key business processes Identify areas of innovation Carry out one market intelligence research	No of Business processes re-engineered Innovations implemented Research reports concluded	20 By 30th June 2023 10 By 30th June 2023 5 By 30th June 2023
	Digitize all HELB documents	Develop and implement a robust records management policy and digitize Identify & acquire appropriate eDMS Ensure configuration & operationalization of EDMs Develop appropriate infrastructure for storage of electronic documents	Level of records Digitized Working and efficient EDMS Robust electronic storage	60% By 30th June 2023 40 % Reduction on paper usage By 30th June 2023 By 30th June 2021
	Supplier and Contract management	Implement a supplier and contract management framework	Sound supplier Service Level Agreements and Contracts implemented	100%



4.3.4 Our People, Governance, Risk & Compliance: “Make HELB a Great Place to work in by investing in Our People while propelling the Organization to a Risk Intelligence Organization through an elaborate adherence to Governance, Risk and Compliance Model”

Strategic Objective

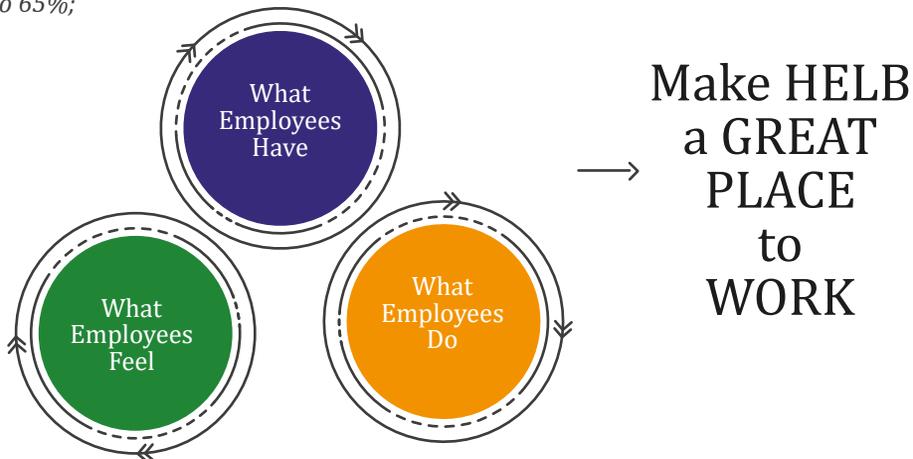
By the year 2023, the following are targeted to be achieved:

- Increase employee satisfaction level from the current 59.2% to 65%;
- Ensure 100% adherence to Governance and Compliance requirements;
- Create a risk intelligent organization by 100 % implementation of an Enterprise Risk Management (ERM) Framework.

Our People:

It is recognized that people are a strategic resource that defines an organization’s distinctive capabilities and establishes competitive advantage. During the plan period, the focus will be on attracting and retaining people with the right talent and motivation to drive the successful delivery of the mandate. It is therefore a priority for HELB to attract and retain top talents by providing competitive benefits, conducive work environment and opportunities for growth. Our philosophy is that what employees DO is largely a function of what they HAVE and what they FEEL.

The strategic Objective is Increase employee satisfaction level from the current 59.2% to 65%;



Strategic objective on our people is to increase employee satisfaction level from the current 59.2% to 65% by the year 2023



Governance & Compliance:

Governance is integral to the running of an institution. HELB will reinforce governance as a holistic system by fostering corporate performance management, ethical culture, effective control and compliance with legal, regulatory frameworks, policies, procedure, guidelines, best practice models and the National/Global development goals.

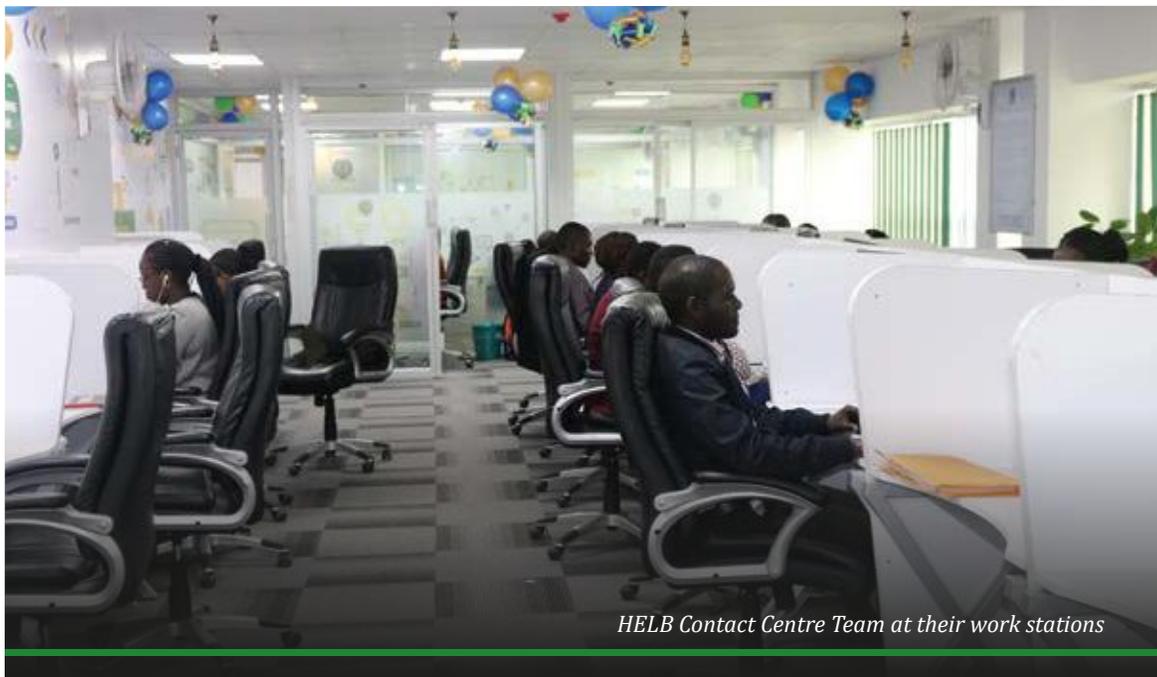
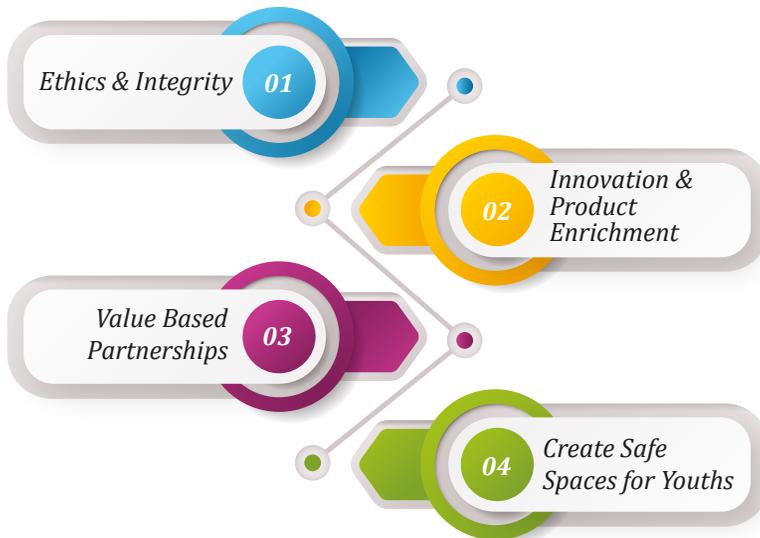
The strategic objective is ensuring 100% adherence to Governance and Compliance requirements.

Risk Management:

Risk management is fundamental towards achievement of this strategic plan. During the plan period, the focus will be on creating a risk intelligent institution where all the risks it is exposed to are proactively managed on an enterprise-wide basis. *The strategic objective is to create a risk intelligent organization by 100 % implementation of an Enterprise Risk Management (ERM) Framework by 2023.*

We believe in empowering dreams through establishing and nurturing the foundation of growth for the next generation in line with our corporate values. To this end, Corporate Social Investment [CSI] through a sustainability framework to contribute to the growth and maintenance of an equitable society in line with global Sustainable Development Goals [SDGs] will be key. We will approach the framework from a molecular 4 point action plan to cater for the short, medium and long-term strategic imperatives as per the HELB Agenda 2019 to 2023 and to keep pace with the regional and global higher education financing institutions.

CSI: 4 Point Action Plan

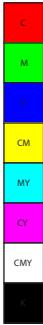


Here below is the analysis of the implementation matrix for this pillar

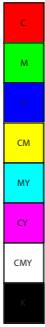
Strategic Objective <i>By the year 2023, the following are targeted to be achieved:</i> <ul style="list-style-type: none"> • Increase employee satisfaction level from the current 59.2% to 65%; • Ensure 100% adherence to Governance and Compliance requirements; • Create a risk intelligent organization by 100 % implementation of an Enterprise Risk Management (ERM) Framework. 				
Key Result Area (KRA)	Initiatives	Activities	KPIs	
		Targets(5 years)		
Employee Engagement	Employee Participation & Involvement	CEO Round table session	Quarterly (4) meetings	
		Voice of employee program	One working platform	
		Employee Corporate Engagement games	2 games per year	
		Employee volunteer program	2 by 30th June 2023	
		Implement Staggered & Flexible working hours	By 30th June 2021	
	Performance Management Framework (PMF)	Employee Engagement Surveys	No. of Sessions Availability of platform No. of games No. of Programs	Annual
		Implement action on employee feedback	Incorporate flexi working hours in the policy	% implemented
		Develop & Implement Annual Performance Management cycle	No. of surveys	Annually
		Carry out regular Performance Management Training	%age of feedbacks Implemented	Two (2) per year
			Developed plan	



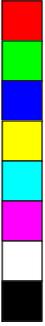
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets (5 years)
		Implement Performance Improvement Program (PIP)	No. of people on PIP	As per performance report
		Departmental & Interdepartmental Team building	No. of team buildings per department	One per year
		Implement PMF best practice	No. of performance review issues meetings	Two meetings per year
		Automate Performance Management	Automated performance management system	By 30th June 2022
		Implement Recognition & Award Program	No. of programs	One per year
		Increase employee benefits in depth and variety	No. of revised or added benefits	Annually
		Implement Performance Based Reward	Alignment of annual increment to performance rating	By 30th June 2019
		Provide staff fitness facilities and education	Availability and access to fitness facility	By 30th June 2019
		Implement medical cover for employees after retirement	Availability of medical cover for retirees	By 30th June 2021
		Provide affordable Housing to all eligible staff in line with 'Big Four' agenda	% of eligible staff granted mortgage	70% of eligible staff
Enhance Leadership & Management	Carry out organization customized Leadership training	No. of staff in leadership positions taken through the program	16 staff annually	



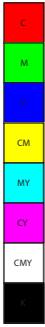
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets(5 years)
Talent Management	Jobs & Organization Design	Carry out Job analysis & Job Evaluation Job Enrichment & Rotation	Job Analysis & Job Evaluation Reports % of staff rotated in different roles	Every four years 10% annually
	Talent Management Framework	Development of competency framework	Approved Competency framework	By 30th June 2019
		Carry out Talent Identification & Mapping	Report of all staff talent map	By 30th June 2019
		Draw a Career Progression Mapping	Report of all staff progression map	By 30th June 2020
	Conducive Work Environment	Talent Development & Deployment	Talent status report	By 30th June 2020
		Review & Update HR Policies	Updated HR policies	After every 3 years
		Review & Update HR Procedure	Updated HR procedures	Annually
	Organization Culture	Share of Highlights of HR Policies & Procedure	Number of sessions	Twice year
		Have break out rooms in all floors fitted with fridges and microwaves	No. of break out rooms	All floors by 30th June 2020
		Provide evacuation equipment to be used in case of emergency	Availability of evacuation equipment(%age of floors)	100%
	Organization Culture	Model Organization Culture	Report of modelled organization culture	By 30th June 2019
		Design and Implement culture change program	Fully implemented culture change program	By 30th June 2020
Appoint HELB Culture Ambassadors		Availability of Culture Ambassadors	By 30th June 2020	



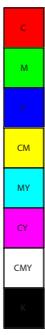
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets(5 years)
	Employer Brand	Carrying out annual internal culture audit	Culture audit report	Annually
		Implement Online Recruitment	Availability of online recruitment portal	Active portal by 30th June 2020
		Carry out Employer Brand Campaign	No. of campaigns & career talks carried out annually	Bi-Annual
	Embrace Best Practice in Recruitment (recruit staff who fit HELB culture)	Incorporate HELB culture fit into selection tools	Assessment of culture fit in selection process	By 30th June 2020
		Vary recruitment and selection methods	Revised recruitment approach	By 30th June 2019
	Enhanced Provision of safe and secure work environment	Implement Office Safety and Health Act (OSHA) Policy	% Compliance to OSHA	100%
		Carry out security and safety awareness	No of Awareness Sessions	One session per year
		Implement access control	Access control mechanism	By 30th June 2019
		Conduct safety security surveys	Safety and security report	Security survey every two years
	Facility Management	Repair and maintenance of facilities	%repairs as per requisitions	100%
	HR Partnership Model	Recruitment of HR Business Partner	HR Business partner in place	By 30th June 2020
	Special projects	Appointment Special Project Teams	No. of Project team	3 Teams annually
Employee Self Service (ESS)	Implement Employee Portal	Availability of portal	By 30th June 2020	



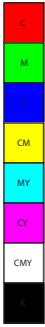
Key Result Area (KRA)		Initiatives	Activities	KPIs	Targets(5 years)
Legal Management Framework	Develop & nurture a legal risk intelligent institution	HR Consultancy & Advisory	Implement E learning	Availability of system for E-learning	By 30th June 2019
			Interpretation of Policies & Procedures	No. of sensitization programs per year	Bi-Annual
			Carry out Head Count Rationalization	No. of rationalization carried out	One annually
			Implement Infosys Learning Model	Fully implemented model	By 30th June 2020
			Acting Appointments	No of Staff Appointed	3 per year
			Delegation of duties	No. of Staff nominated to represent/assigned duties outside their JDs	10 per year
			Roll out Mentorship Programs	No. of programs	One annually
			Roll out Employee Coaching program	No. of programs	One annually
			Implement Functional Trainings based on TNA	% of staff trained based TNA report	One annually
			CPD Trainings	% of staff attended CPD trainings	One annually
			Measure ROI on Training	Report on ROI	One annually
			Legal Management Framework	Develop & nurture a legal risk intelligent institution	Develop & implement legal Risk policy
Provide periodic legal risk management reports to Management and the Board	Reports	Continuous			
Develop and implement an effective Enterprise legal Risk Monitoring and Evaluation framework	Approved monitoring and evaluation framework	Quarterly (4)			



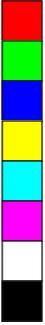
Key Result Area (KRA)		Initiatives	Activities	KPIs	Targets (5 years)
Governance and leadership	Develop and implement dispute resolution mechanism	Develop & Implement litigation strategy	Litigation strategy	Litigation strategy	By 30th June 2019
		Develop and operationalize litigation monitoring tool	Operationalize litigation monitoring tool	Operational Litigation monitoring tool	By 30th June 2019
		Develop & Implement Alternative Dispute Resolution policy	Approved Dispute Resolution policy	Approved Policy in Place	By 30th June 2019
	Legal Consultancy & Advisory	Interpret and advise on legal and regulatory frameworks, policies and procedures	No. of advisories	No. of advisories	Continuous
		Review current HELB Act	Reviewed and approved HELB Act	Reviewed and approved HELB Act	By 30th June 2021
	Enhance Governance and Leadership	Develop/Review governance policies and tools	Approved Policies and tools	Approved Policies and tools	By 30th June 2020
		Carry out Governance Audit	Governance Audit Report	Governance Audit Report	Annually
		Implement recommendations of the Governance Audit	Implementation Report	Implementation Report	Annually
		Develop and implement capacity building programme	Number of Programs implemented	Number of Programs implemented	One program annually
		Facilitate Board training	Number of Board members trained	Number of Board members trained	10 Board Members annually
Board capacity building	Facilitating global benchmarking	Benchmarking reports	Benchmarking reports	Annual	



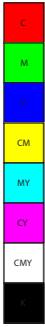
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets (5 years)	
Compliance	Board Competence	Develop Skills matrix for the Board	Board Skills report	Annual	
	Board Evaluation	Conduct Board members evaluations	Board Evaluation Report	Annual	
	Enhance Compliance	Establish a compliance universe	Compliance Universe	Compliance reports	Annually
		Compliance with applicable laws, regulations, guidelines, standards and contracts.	Compliance reports	Compliance reports	Continuous
		Carry out legal compliance audits	Legal Audit report	Legal Audit report	Annually
Annually	Procurement of goods and services	Implement recommendations of the legal Audits	Implementation Report	Annually	
		Prepare procurement plan	Approved Procurement plan	30th June every year	
	Provision of Warehousing and store services	Implement procurement plan	% implementation of Annual procurement plan		100%
		Issuance of stores	% of stores requisition processed		100%
		Asset disposals	Annual disposal report		Annually
Risk Intelligent Culture	Provision of transport & Courier Services	Provide Efficient Transport & Courier Services to Business	% facilitation	100%	
	Implement ERM framework	Appointment of departmental risk champions	Risk Champions appointed	30th Sept 2018	



Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets (5 years)
Business Continuity Management	Enhance Business Sustainability Disaster Recovery Succession planning Infrastructure for Business Continuity	Capacity build on Risk Management	No. of Trainings	Bi-annually
		Develop & Maintain Dynamic Enterprise Risk Registers	Risk Register prepared and maintained	Quarterly
		Provide risk management reports to Management and the Board	Reports to management and the board.	Quarterly
		Develop and implement effective Enterprise Risk Monitoring and Evaluation tools	Key risk indicator (KRI) and Loss Data (LDM) reports	Quarterly
		Automate Risk Management Processes	Automated Process	By 30th June 2021
		Develop risk appetite policy	Approved Policy	2019-2020 By 30th June 2020
		Review ERM policy framework	Reviewed and approved ERM policy	By 30th June 2022
		Develop a Business Continuity Management framework	Approved Framework	By 30th June 2020
		Develop & Implement Disaster Recovery Plan	Disaster Recovery Plan and Site in place	By 30th June 2020
		Identify Potential Successors for all critical roles	Having Succession Map in place	By 30th June 2021
Develop plan and implement infrastructure for Business Continuity	Plan and Infrastructure for BCM in place	By 30th June 2021		



Key Result Area (KRA)		Initiatives	Activities	KPIs	Targets (5 years)
Assurance & Consultancy	Funding & Contingency Planning	Develop contingency funding plan	Documented plan	By 30th June 2019	
	Enhance value adding assurance services	Develop and implement a risk based assurance annual work plan	Approved Assurance Work Plan Implementation reports	Annually	
		Implement the work plan	% Implementation	100%	
		Monitor implementation of agreed audit recommendations	Implementation status Report	Quarterly	
Enhance value adding consulting services	Implement agreed audit recommendations	Implement agreed audit recommendations	%age of audit issues closed	100%	
		Develop a risk based consulting annual work plan	Approved consulting annual work plan	Annually	
	Implement consulting annual work plan	Implement consulting annual work plan	% Implementation	100%	
		Conduct Ad hoc Assignments	% completion	100%	
Knowledge management	Quality Assurance(QA)	Perform Internal Audit Quality Review	Review Report	One per years	
	Implement knowledge management platforms – repository	Develop knowledge management framework	Approved Knowledge management framework	By 30th June 2019	
		Develop guidelines on identifying, harnessing, sharing, storing & processing of Knowledge	Approved guidelines	30th September 2019	
		Sensitize staff on knowledge management framework	%age sensitized	100% by 31st December 2019	



Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets (5 years)
Corporate Social Investment [CSI]	Creating Shared Value	Implement guidelines on knowledge management framework and guidelines	Implementation report	Annually from 31st January 2020
		Integrating Sustainable Development Goals	Corporate Social Investment [CSI] Policy No. of reviews done	By 30th June 2019 Mid-Term Review
		Operationalize CSI Policy	Institute a robust management and monitoring framework Sustainability Report to stakeholders	Half yearly updates Once Every Two Years





Services available in the HELB USSD code:

a) Loan Disbursement

1. Loan Allocation Details
2. Loan disbursement status

b) Loan Repayment

1. Loan Balance
2. Mini-statement

c) HELB Certificate checker

You can confirm the validity of
your HELB certificate:
Compliance or
Clearance certificate.



Dial ***642#**

To access the
HELB Mobile Platform
whenever, wherever.

EMPOWERING DREAMS

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USSD Self Serve *642#

5.0 CHAPTER FIVE IMPLEMENTATION OF THE HELB AGENDA 2019-2023

5.1 IMPLEMENTATION PLAN

Detailed implementation plan matrix has been included in the analysis of the various pillars. The implementation plan will be devolved into annual corporate scorecards which will be cascaded through departmental scorecards. This cascading process creates a clear line of oversight between the individual's work performance and the accomplishment of the Board's objectives.

5.2 COORDINATION MECHANISM

The implementation process of this Strategic Plan will be well coordinated in order to achieve the planned strategic goals. The Plan will be achieved through meetings and reporting systems of various management and administrative organs of HELB including the Board Committees, the Senior Management team and other operational units in the organizational structure.

5.3 ACCOUNTABILITY

Accountability is the expectation that each employee will accept credit or blame for results achieved in performing the assigned tasks. Employees are expected to report results of their work to enable management to determine whether effective decisions are being made and whether tasks are being performed as planned. Every employee will be accountable for what he is expected to deliver in this plan.

The implementation of this Strategic Plan requires proper utilization of financial, human and material resources. This demands that the staff take respective responsibilities and be accountable for the same. Successful implementation of the plan depends significantly on how the planned activities are effectively delegated, and outputs monitored and evaluated. The Board of Directors will be responsible for the general monitoring and evaluation of the Plan's implementation and prioritization of the projects to be undertaken. The Chief Executive Officer (CEO),

Chief Officers and Heads of Departments will, on the other hand, be responsible for the day-to-day implementation, monitoring, and evaluation of the organization's operations.

5.4 RESOURCE AVAILABILITY

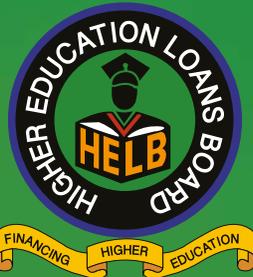
Resources are essential for the implementation of this Plan. Inadequate financial, human, and other material resources may negatively impact the implementation of the planned activities. For instance shortage and/or a high staff turnover in HELB may lead to inability to implement the Plan. The Board and Management team will plan and come up with staff retention strategy.

5.5 RESPONSIVENESS AND COOPERATION OF STAKEHOLDERS

Different strategies and activities in this Plan require cooperation of various stakeholders. Their positive response is therefore crucial to the implementation of the Plan. Participation in consultative meetings among other interventions will be used to mitigate the risks.



Education CS, Amb [Dr.] Amina Mohammed during the signing of HELB's Performance Contracting at the CEMASTEVA



HELB is present in the following Huduma Centers

Nairobi-GPO, Machakos, Mombasa, Nakuru, Eldoret, Kisumu, Kakamega, Kisii, Nyeri, Embu, Kitui, Bungoma, Lodwar, Meru, Thika, Kitale, Kericho, Nandi, Muranga, Garissa, Narok, Migori, Chuka, Kilifi and Taita Taveta.

EMPOWERING DREAMS

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  contactcentre@helb.co.ke

 @HELBPAGE

As at February 2019

6.0 CHAPTER SIX RISK MANAGEMENT

6.1 INTRODUCTION

As indicated in the various parts of this strategic plan, there are several potential risks to its implementation. All the risks will be assessed and mitigation measures put in place. The risk management plan will be continuously evaluated in order to take timely remedial actions.

6.2 DEFINITION OF RISK AND RISK MANAGEMENT

Risk is the threat that an event or action will adversely affect the organization's ability to achieve its strategic, tactical and operational objectives whilst maximizing stakeholder value. Risk arises as much from the possibilities that opportunities will not be realized as it does from the possibility that threats will materialize or that errors will be made.

6.3 RISK PHILOSOPHY

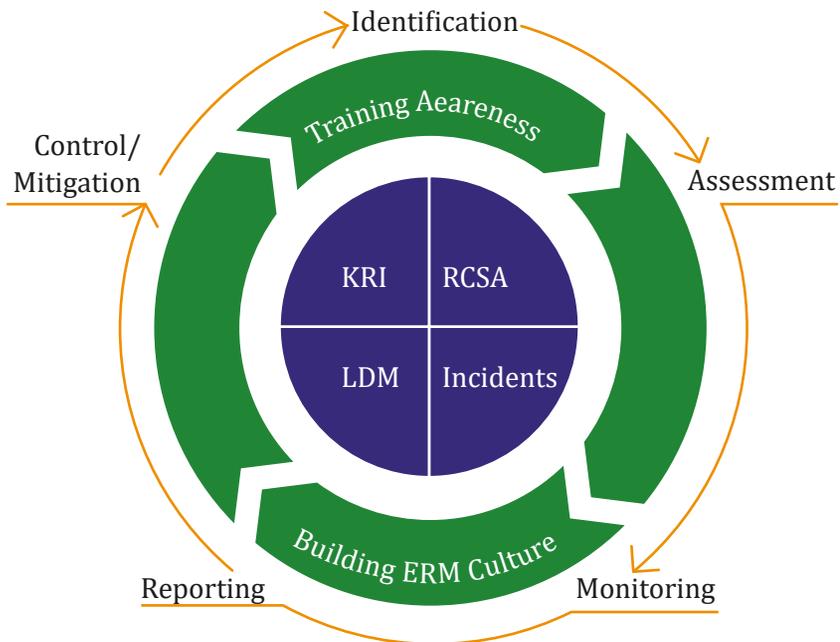
HELB's risk management approach is based on an approved enterprise wide risk management methodology and philosophy to ensure adequacy of funds for every deserving Kenyan enrolled in higher learning institutions. Also, the philosophy ensures effectiveness in operations and controls for the loans to be affordable, adequate and prudently managed. These will be achieved through the application of the following core principles:

- a. Clear assignment of responsibilities and accountabilities;
- b. Common enterprise-wide risk management framework and process;
- c. Identification of uncertain future events that may influence the achievement of work plans and strategic objectives; and
- d. The integration of risk management activities within the organization and across its value chains.

The focus on the stakeholder is the most comprehensive approach, because value creation on behalf of the stakeholders is only possible if our clients are satisfied, our employees motivated and our regulators are sufficiently reassured with respect to our compliance.

6.4 RISK MANAGEMENT PROCESS

To embed risk management culture at HELB, a six point perspective as espoused in the figure below will be implemented.



HELB Risk governance applies the principles of good governance to the identification, assessment, management, monitoring and communication of risks. Further, these policies are being implemented to lay a firm foundation for the attainment of Big4 Agenda, Vision 2030 and SDGs to make HELB sustainable for the current and future generations.

6.5 RISK ANALYSIS

By approaching risk differently and viewing it as a facilitator for better outcomes, HELB shall adopt an integrated risk management approach that:

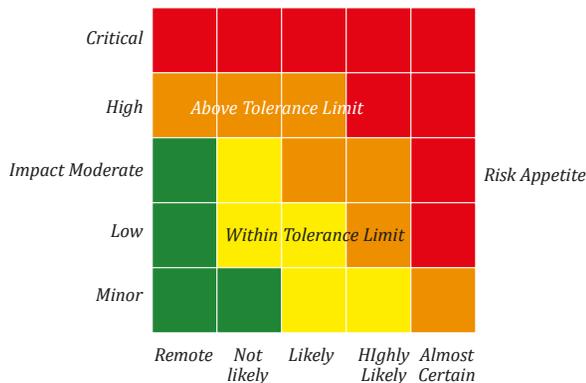
- Improves the resilience of the organization's strategy and helps address barriers to execution;
- Encompasses activities to prepare for and respond to crises;

- Covers the spectrum of risks, from high-level strategic risks affecting all business units to the operational risks managed at lower levels of the institution;
Links risk data at different levels, allowing allocation of resources to the organization’s top risks;
- Embeds risk management into existing organizational processes.

The assessment of the risks in the strategic plan has considered all the key processes and this has allowed proposition of measures, which can result into greater possibilities for its successful implementation. Analyzed here below are the risks that may affect the overall achievement of this strategic plan, the assumptions, risk rating and proposed mitigating measures.

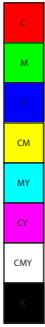
6.5.1 THE RISK HEAT MAP

The Risk Heat Map is used by HELB for prioritization, particularly where several RISKS are rated the same. It divides risks into four broad bands named after colours from red, through amber, yellow and green. On the impact vertical axis risks are rated depending on the assessment and allocated a number at residual level i.e. post control rating as critical, high, medium, low or minor. Based on the Likelihood control rating assumed, an assessment of likelihood is done ranging from to Almost certain, Highly likely, Likely, Not Likely to Remote along the along the horizontal axis. Based on the two assessments – Impact and Likelihood appropriate placement is done on the risk heat map below;

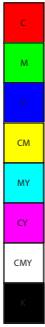


6.5.2 The Risk Matrix, Assumptions and Mitigating Measures

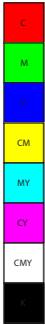
Risk		Assumptions	Rating	Mitigation strategy
<p>Credit Risk- The risk of default on a debt that may arise from a borrower failing to make required payments. In the first resort, it includes lost principal and interest, disruption to cash flows, and increased collection costs.</p>		<p>Inflation, slow economic growth, unemployment and underemployment undermine revolving mechanism</p>	Critical	<ul style="list-style-type: none"> Intensify loan repayment campaigns and mobilize people to support the loan repayment calls; Explore insuring the loans; A more defined Sectoral allocation skewed to high economic growth areas; Review product mix for seamless transition; Restructure allocation purpose to fit.
<p>Technological Risks- Risks arising from inadequate or failed system infrastructure including all network, hardware, software, communications and their interfaces.</p>		<p>Dynamic tools and systems undermine technological advancement. Students may default loan repayments as they cannot be traced.</p>	High	<p>Keep abreast with the changing technology:</p> <ul style="list-style-type: none"> Finalization of Pambazuko (ERP) Implementation; Use of IDEA and TeamMate Software to assist risk based internal audits; Embrace technology in customer service; Optimize on existing systems; Revolutionize customer service delivery tools; Continuous upgrade of human and capital resources to keep pace with the dynamic technologies; Invest in biometric system for new clients.
<p>Liquidity/Financial Risk- Risk that HELB may be unable to meet short term financial demands or Risks arising from financial transactions and accounting reporting requirements.</p>		<p>Sustainability corridor for the medium and long term funding is translucent</p>	High	<ul style="list-style-type: none"> Diversify funding sources to streamline cash flow; Consider a concentration policy to build resilience; Sustained relationship management with key ministries for consistent funding; Invest in high yielding initiatives; Ensuring good planning and control of operations and timely response to the emerging risks;



Risk	Assumptions	Rating	Mitigation strategy
		High	<ul style="list-style-type: none"> • Planning, performance monitoring and putting in place internal control; • Ensure prudent financial management; • Monitoring of the annual budget through the Budget Implementation Committee; • Regular management accounting reports to assist in prompt decision making.
<p>Operational Risks- Risks resulting from inadequate or failed internal processes, people and systems or from external events.</p>	<p>Process inefficiencies and skill sets limitation deter expected service delivery levels.</p>	High	<ul style="list-style-type: none"> • Continuous review and improvement of processes and procedure; • Upskilling as per training needs assessment; • Monitor implementation of the Balanced Scorecard for all staff; • Provide competitive remuneration package for attracting and retention of high performance; • Put in place and adhere to effective recruitment policy; • Monitor implementation of the MOUs signed as per the Service Level Agreement.
<p>Political Risk -The risk faced that political decisions, events, or conditions will significantly affect the expected value of a given economic action.</p>	<p>Political will, civil unrest, strikes, political actions interrupt social order and learner cohort rate</p>	Medium	<ul style="list-style-type: none"> • Initiate enactment of laws that entrench minimum government support to HELB; • Alert triggers on external environment
<p>Governance Risks - Risks arising from the conflicting demands of stakeholders (students, management, employees, suppliers, the public). Impacts may be primarily reputational as well as financial.</p>	<p>Bureaucracy and red tape within Ministries, Departments and Agencies (MDAs) create complexities.</p>	Medium	<ul style="list-style-type: none"> • Relevant organizational structures; • Develop appropriate policies & procedures; • Clear risk appetite; • Reporting & disclosure processes; • Coordinate formulation, execution, monitoring and evaluation of the Performance Contracts.



Risk	Assumptions	Rating	Mitigation strategy
<p>Reputational Risk - Loss resulting from damages to a firm's reputation, in lost revenue; increased operating or regulatory costs; or destruction of shareholder value, consequent to an adverse or potentially criminal event even if the company is not found guilty.</p>	<p>Informed adverse Customer satisfaction influenced by expectations and perceived service quality.</p>	<p>Medium</p>	<ul style="list-style-type: none"> Respond promptly to client queries; Media protocols be observed to avoid miscommunication; Appropriate media engagement; Protect and sustain the organization's good reputation; Integrate risk management into strategic planning to maximize value; Build and maintain a strong risk culture.
<p>Legal/ Compliance Risk- Risks arising from failure to comply with laws and regulations, standards, guidelines, internal policies and contractual arrangements.</p>	<p>Non-conformity and/or conflicts of HELB legal framework with other legal provisions.</p>	<p>Medium</p>	<ul style="list-style-type: none"> Harmonize HELB Act with the various Acts relevant to HELB for conformance; Secure data storage and retrieval policies; Enhance awareness on ethical values and integrity; Ensure adherence to regulation and legal requirements.
<p>Strategic Risk - Strategic risk includes risk relating to the long-term performance of HELB and arises from formulation and implementation of strategic plans that are inconsistent with the internal and external environment.</p>	<p>Distorted integration in strategic objectives, organization structure and internal policies, processes and procedures</p>	<p>Medium</p>	<ul style="list-style-type: none"> Enhance ability to break away from Government funding to increase the pie in External Resourcing; Effective stakeholder engagement and thought leadership on brand affinity to enhance image; Aligning processes and tools, skills and capabilities to integrate performance and business objectives; Providing actionable performance data, and reports to effectively managing performance; Coordinate formulation, execution, monitoring and evaluation of the Annual Performance Contract.



6.6 KEY RISK INDICATORS FOR MONITORING AND EVALUATION

Key Risk Indicators (KRIs) are indicators of risks which can provide vital warning signs to enable threats to HELB and its objectives to be managed before they happen. KRIs allow for proactive identification of emerging risks by creating an informative framework in which to scan for what is on the horizon. An effective set of KRI metrics will provide insight into potential risks that may impact the realisation of objectives or may indicate the presence of new opportunities. Mapping key risks to core strategic initiatives puts management in a position to begin identifying the most critical metrics that can serve as leading key risk indicators to help them oversee the execution of core strategic initiatives. The risk management plan will be continuously monitored and evaluated in order to draw key lessons to inform management decisions on necessary remedial actions to be taken.

S/NO	RISK CLASSIFICATION	KEY RISK INDICATOR
1.	Credit	% of non-performing loans to total loans
2.	Technological	% of systems downtime
3.	Liquidity	% of disbursements made against total requests
4.	Financial	Number and value of unreconciled items
5.	Reputational	Number of major adverse mentions in the media
6.	Legal/Compliance	Number of significant regulatory or contractual breaches
7.	Governance	Number of Management meetings held/attended



HELB CEO engaging county officials at the 2018 Devolution Conference



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7.0 CHAPTER SEVEN

MONITORING AND EVALUATION

7.1 MONITORING METHODOLOGY

The success of the Strategic Plan implementation depends on how the planned activities and output are effectively monitored and evaluated. HELB will put in place a strong monitoring and evaluation framework to track the implementation of the Strategic Plan within the planned period. This will provide for continuous monitoring and evaluation of all strategies, activities and outcomes with a view to advising the management on any remedial action required. Monitoring will be based on the Key Performance Indicators. The means for verification will be the instruments adopted to establish whether the planned activities and strategies are on course.

The evaluation of the results and strategies will be an on-going process involving redesigning and restructuring the activities. Consultation with implementing department and realigning strategies, resource outlay, objectives, activities and other support procedures and processes will be key requirements on the monitoring. Preparation of periodic reports for each department will also be done.

7.2 MONITORING AND EVALUATION (M & E) FRAMEWORK

The following M & E framework will be put in place by the Board in order to ensure implementation of the Strategic Plan:

- i. The Strategic Plan will be broken into annual objectives, work plans and budgets which will be presented for approval by the Board of Directors.
- ii. The Corporate annual plan will be cascaded down to individual departments for implementation. The Heads of Departments shall oversee the implementation of the Strategic Plan in their respective departments.
- iii. The M & E implementation committee will be reporting quarterly to the Board on the progress of the Strategic Plan implementation.
- iv. All Heads of Departments will hold quarterly meetings chaired by the CEO to review the status of the Strategic Plan implementation as it relates to their respective departments.

- v. The management team shall conduct a mid-term review of the Strategic Plan after two and half years of initiation to determine whether implementation is on track and give necessary recommendations.
- vi. (vi) The key performance indicators will provide guidance on a more objective review of the progress made in the Strategic Plan implementation.

HELB will institute a performance management information system which will encourage corporate and individual monitoring of targets and outputs. The monitoring and reporting will be based on the balance scorecard perspectives. The relevant sources of information for reporting will be the databases, financial management reports, surveys, special evaluations and research studies. The reporting and learning activities will be the responsibility of the Chief officers and departmental heads. The table below outlines the sequence of the monitoring and evaluation activities

S/No.	Reporting	Timing	Activities
1.	Monthly monitoring reports	1st -10th Every Month	<ul style="list-style-type: none"> • To check progress of outputs and measure level of indicator achievement against targets • To encourage departmental & sectional self-evaluations and implement self-corrective actions • To continuously hold monthly work improvement team meetings within departments that address progress of outputs
2.	Quarterly evaluation reports & Senior Management forums	10th -15th October, January, April, July	<ul style="list-style-type: none"> • To gauge achievement of outputs on primary activities and secondary activities over the period of 3 months and to monitor the trend • To recommend areas of action, focus and priority • Departmental self-evaluation and implementation of corrective actions • To hold Senior Management Meetings to check organizational performance • Quarterly Evaluation performance reports to the Board of Directors
3.	Midterm evaluation of the Strategic Plan in 2021	15th -20th July 2021	<ul style="list-style-type: none"> • To review progress towards achieving outputs and the strategic goals against targets, monitor trend of past period • Assess the appropriateness of overall strategy • Identify priority areas that require greater focus within remaining strategic period • Develop recommendations to be effected within remaining period

S/No.	Reporting	Timing	Activities
4.	End term Evaluation of the Strategic Plan in 2023	15th -20th July 2023	<ul style="list-style-type: none"> To assess the overall strategy within period 2019-2023 To identify milestones achieved, challenges and outputs that were not achieved Lessons learnt during the strategic implementation To identify areas of focus and priority to be effected in the next strategic period. Design the next strategic plan

7.3 PROGRESS REPORTS

Progress reports will be prepared on quarterly basis by the implementing departments. The reports will describe actions undertaken towards achieving specific strategies of the Plan and will include costs, benefits, performance measures and progress to date.

The Strategic Plan will be evaluated on quarterly basis, at the mid-term and at the end of the plan period to ensure that it remains relevant, feasible and delivers outputs that contribute to sustainable development.

7.4 INFORMATION FLOW

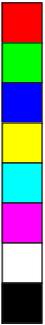
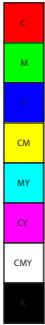
Lack of effective and efficient flow of information may result in delay in decision-making which in turn leads to delays in the implementation of the Plan. The information flow may be between the Management team and Customers and other key stakeholders that are crucial to the successful implementation of this Plan. HELB Board will enhance the flow of information through implementation of an effective information management system.



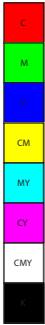
Annex 1 - DETAILED IMPLEMENTATION MATRIX

CUSTOMER CENTERED LEADERSHIP

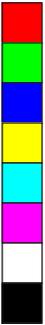
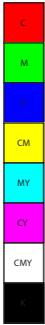
Strategic Objective: To improve the current customer satisfaction index of 71% by 500 basis points by 2023												
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes				Resources required	Resources required		
					2018/2019	2019/2020	2020/2021	2021/2022			2022/2023	
Customer Experience	Reduce Customer Pain Points	Champion regular review and adherence to HELB Service Charter	Service Charter Compliance report									
		Adherence at 90%	No. of reviews done	Review in 2020/21	1							
				Grow by 40% by 2023	10%	10%	10%	10%				
		Streamline service efficiency at Customer Touchpoints -	Council established and operationalized	2 HELB SLAs reviews in SP Period	10%-work on the lessons learnt to make the adherence to 100%	1	1				CC&CXM	
			Reduced Turn Around Time(TAT)	90% Root Cause Analysis (RCA) closure	90%	90%	90%	90%				CC&CXM
			Improved First Contact Resolution [FCR]	25%	5%	5%	5%	5%				System Integration [UCS/CRM/SMS-S SD/AX]
				Grow from 60%to 85% by 2023	5%	5%	5%	5%				Upskilling



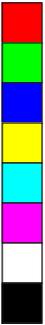
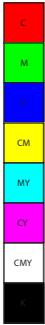
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required	
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023			
Enrich tracking of the Voice of the Customer	No. of services Decentralized		10	2	2	2	2	2	2	System Integration, Capacity Building, Staff Recruitment	CIO/COO/LM/CC&CXM	
				4	4	4	4	4	Capacity Building	CC&CXM		
				≥95%	≥95%	≥95%	≥95%	≥95%				
				4				2				
	Establish hubs and spoke system		Survey report and findings established	Once every 2 years	June 2019					June 2021	Budget for consultant	CS&CXO/ CC&CXM
					≥72%					June 2023		
	Promote alternative Customer Feedback mechanisms		Customer Satisfaction [C-SAT] Score	Grow from 71% to 76% by 2023	≥74%					≥76%		
					2	1						
		No. of feedback channels		Biannually	2	2	2	2	2	2	Data Collection & Analysis Software and Capacity Building	CC&CXM
					2	2	2	2	2	Budget and Facilitation	CC&CXM /HRAM	
4					4	4	4	4				
Quarterly					4	4	4	4		CC &CXM		
		Feedback report and findings established & implemented										



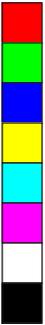
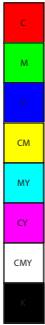
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required	
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023			
Expansion of customer touch points	Expand HELB presence in Huduma Centers	No. of Huduma Centers set up	20 new centers- per year	4	4	4	4	4	4	4	Staff Recruitment, Capacity Building, Laptops, Bundles, Publicity Materials	CEO
					1	1	1	1	1	1	Budgets	CIO/CC&CXM
Enhance Service Delivery	Introduce New Digital Channels for Customer Experience	No. of Channels	One channel per year	1	1	1	1	1	1	1	Budget and Facilitation, Self-Service Kiosk Set up.	COO/LM/CIO
					10	2	2	3	3	3	Space, Renovation, Staff Recruitment, Capacity Building.	COO/CC&CXM/H DM/LM/HRM
Operationalize a one-stop Shop loan recovery Customer Experience Centre	Promote alternative service delivery channels	No. of self Service Kiosks / Liaison Offices	Establish the Agency model with cyber café	10	1	2	2	2	2	2	Budget and Facilitation, Self-Service Kiosk Set up.	COO/LM/CIO
					December 2019	June 2020	1	1	1	1	Structure, Skill Gap and Policy Reviews	
Consolidate Customer Touch Points	Enhance Service Delivery	Aligned all customer touch points handling Customer Experience for service standardization-take to excellence council	December 2019	June 2020	1	1	1	1	1	1	Structure, Skill Gap and Policy Reviews	
					1	1	1	1	1	1	1	1
					1	1	1	1	1	1	1	1



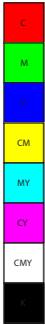
Key Result Area (KRA)	Initiatives	Activities	KPIs	Annual Outcomes					Resources required	Resources required	
				Targets	2018/2019	2019/2020	2020/2021	2021/2022			2022/2023
Stakeholder engagement	Facilitate/ undertake Regular and meaningful stakeholder engagement	Tech Driven 360 degree View of the Customer by deploying CRM Sales & Marketing Module	Accurate Customer Data Analytics in CRM/ AX	July 2019						CRM Sales & Marketing Module Procurement Budget and Facilitation.	CIO/CC&CXM
			CRM sales & marketing module operationalized	June 2020							
			Maintain an interoperable and up to date website-	Continuous							
Stakeholder engagement	Develop and Operationalize a Stakeholder Engagement framework	Creates safe spaces for youth engagement	Approved framework	June 2019						Facilitation & Capacity Building	CC&CXM,
			No. of forums	225	35	40	45	50	55	Facilitation & Capacity Building	Relevant functional heads /
Stakeholder engagement	Enhance loan uptake through in-depth grassroots stakeholder engagement		No. of mashinani initiatives undertaken [if not undertaken through Huduma secretariat then it should be facilitated by HELB]	20	4	4	4	4	4	Budget Allocation. Publicity Materials. Laptops + internet Upskilling	CC&CXM
			Annual Reports	5	1	1	1	1	1		CEO



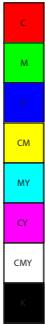
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required ERM		
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023				
Brand Affinity	Promote the HELB Brand, Products & Services	Maintain and establish strategic affiliation	%age maintain										
		Maintain and establish strategic affiliation	New establish									CEO	
Brand Affinity	Promote the HELB Brand, Products & Services	Publish and distribute info pack for HELB products	No. of Publications	Indicate how many??	2	2	2	2	2	Budget Allocation			
			No. of media campaign	three times a year	3	3	3	3	3	Budget Allocation			
		Build strategic media relationships for positive PR	No. of CEO media interviews	Quarterly	4	4	4	4	4	4	Budget Allocation		CEO/CC&CXM
			Positive Tonality in the media	Grow from 60% to 70%	2%	2%	2%	2%	2%	2%	Budget Allocation		
Brand recognition	Promote the HELB Brand	Dressing with HELB T-shirt	No. of forums	No. of forums						Budget Allocation		HRAM/ CC&CXM	
			Refresh the look and feel of HELB work spaces/vehicles	June 2021									
		HELB rebrand	HELB Brand Health Check survey	No. of forums	No. of forums						Budget Allocation		CC&CXM
		Approved HELB Brand Manual		Dec 2019									
		Launch new HELB Logo during HELB@25Years		July 2020									



Key Result Area (KRA)	Initiatives	Activities	KPIs	Annual Outcomes						Resources required	Resources required	
				Targets	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023			
Brand Affinity	Maintain and establish strategic affiliation	Maintain and establish strategic affiliation	%age maintain									ERM
			New establish									CEO
	Promote the HELB Brand, Products & Services	Publish and distribute info pack for HELB products	No. of Publications	2	2	2	2	2	2	Budget Allocation	CEO/CC&CXM	
			No. of media campaign	3	3	3	3	3	3	Budget Allocation		
		Build strategic media relationships for positive PR	No. of CEO media interviews	4	4	4	4	4	4	Budget Allocation		
			Positive Tonality in the media	Grow from 60% to 70%	2%	2%	2%	2%	2%	Budget Allocation		
		Brand recognition	Promote the HELB Brand	HEL B T-shirt	No. of forums						Budget Allocation	HRAM/ CC&CXM
				Refresh the look and feel of HELB work spaces/vehicles	June 2021							
			HELB rebrand	HEL B Brand Health Check survey	No. of forums						Budget Allocation	
				Approved HELB Brand Manual	Dec 2019							
		Launch new HELB Logo during HELB@25Years	July 2020									



Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required		
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023				
Service Quality Assurance [CXQA]	Maintain regular and value adding communication with all customers	Lead & Opportunity generation management	CRM Sales & Marketing Module operationalized	July 2019							CRM Sales & Marketing Module	CIO/CC&CXM	
		Leverage on digital media to enhance business growth e.g. Landing Pages for Leads	No. of Reports	Quarterly	4	4	4	4	4	4	Leverage on digital media to enhance business growth e.g. Landing Pages for Leads		
		Leverage on Data Analytics to drive mass personalization in bulk messaging	No. of Reports	Quarterly	4	4	4	4	4	4		CIO/CC&CXM/LM /HoD/HoHR	
Service Quality Assurance [CXQA]	Enhanced service delivery quality assurance	Introduce and operationalize templates for business unit engagement	No. of Templates	continuous review								CC&CXM	
		Maintenance of ISO 9001:2015	Valid ISO certificate –Surveillance audit reports	Annually	1	1	1	1	1	1	500,000 annually	CSCXO	
		Adopt the International Standard for Service Excellence [TISSE]	TISSE Certification	June 2022									CC&CXM
Service Quality Assurance [CXQA]	Develop and implement a service quality assurance framework across all customer touchpoints	Approved Framework	Approved Framework	June 2019							Staff Recruitment. Coaching Room Renovation. Capacity Building.	CC&CXM	
		Quality Assurance (QA) Reports	Quality Assurance (QA) Reports	Quarterly beginning July 2019	4	4	4	4	4	4			



Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023		
New Business Initiatives	Incorporate Artificial Intelligence to ensure 24/7 service provision	Develop Service delivery bots	Deploy Bots	June 2020						10M	CIO/CC&CXM
		Develop web chats	Implement Web Chat	Dec 2019						2M	CIO/CC&CXM
		Develop USSD & SMS Gateway	Deploy USSD & SMS Gateway	Dec 2018						5M	CIO
		Develop & implement an intranet	Functional intranet	Dec 2019						2M	CIO
		Automate ERP messaging & e-notification to customer	Implementation	June 2019							CIO
		Automate ERP messaging & e-notification to customer	Implementation	June 2019							CIO

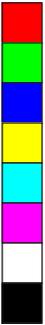
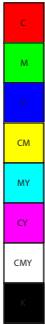
Strategic Objective: To align student financing to the realization of 'Big Four' Agenda while progressively working towards sufficient funding to eligible students to 100% through an annual growth in student loan budget by 10%.

Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023		
Sustainable Revolving Fund	Grow loan recoveries by 10% annually	Reduce the Portfolio at Risk (PAR)	Reduced PAR by 2% annually	20%	28%	26%	24%	22%	20%	People, Systems, Processes, Budget	HoDM
		Enhance loan recovery from diaspora	Amount recovered	275M	45M	49.5M	54.5M	60M	66M	People, per diem, dedicated telephone lines for international calls, airtime	HoDM
		Revamp the informal sector loan recoveries	Amount recovered	7.33B	1.2B	1.32B	1.45B	1.6B	1.76B	People, Systems, Processes, Budgetary provisions	HoDM
		Enforce compliance of loan repayment	% of total accounts performing	80%	72%	74%	76%	78%	80%	People, Systems, Processes, Budgetary provisions	HoDM

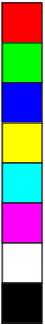
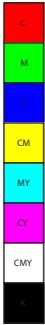


Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets 5 years	Annual Outcomes					Resources required	Resources required	
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023			
Financial Management and Stewardship	Increase Operational Efficiency and Turn Around Time (TAT)	Review debt collectors management	Amount Recovered	2.76B	490M	510M	550M	590M	620M	People, Systems, Processes	HoDM	
		Increase the number of repayment channels	No. of new Channels developed	5	1	1	1	1	1	People, Systems, Processes	COO	
		Prosecution of defaulters	No. prosecuted	5	0	1	1	1	2	People, Systems, Processes, Budget	COO	
		Introduce community ambassadors	No. of active Ambassadors	94	14	20	20	20	20	People, Systems, Processes, Budget	HoDM/COO	
		Develop new incentive based loan recoveries approach	Number of New Incentives developed	3	0	1	1	1	0	People, Systems, Processes, Budget	HoDM	
		Intensify data management and utilization	No. of Trainings & Analytical tools acquired	Response & feedback	People, Systems, Processes, Budget	HoDM						
		Develop innovative approaches for sector specific loans	Annual departmental Action plans	Annually	People, Systems, Processes, Budget	HoDM						
		Provision of Timely and accurate receipts, payments and Bank Reconciliations	TAT	24 hours		CFO/COO						
		Accurate and Timely Payments	TAT	72 hours		FM						
		Accurate and timely bank reconciliation	TAT	48 hours		FM						

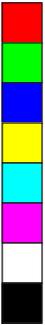
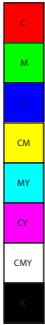
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets 5 years	Annual Outcomes					Resources required	Resources required
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023		
Increase cost Efficiency Index by 0.5 Annually		Formulation of annual Budget aligned to Big Four and other National Development Plans	Aligned & approved timely budget	Approved & Aligned annual budget	Approved Big Four Aligned Budget	Approved Big Four Aligned Budget	Approved Big Four Aligned Budget	Approved National Development Plan Aligned Budget			CFO
		Smartcard Implementation	Number of institutions on smartcards	100%	5%	10%	20%	30%	100%		CFO/LM/COO
		Data Remediation	% of data remediated	100%	80%	90%	100%	100%	100%		CFO/COO/CIO
Grow Revenues annually		Monitoring and evaluation of Budget	% of budget absorption	99%	95%	96%	97%	98%	99%		All Heads of Cost Centres
		Fixed assets Management	% of assets Tagged, Valued, Verified and Updated in the Fixed Asset Register	100%	100%	100%	100%	100%	100%		ERP System, People and Consumables
		Develop and implement effective financial/cost management frameworks.	Progressive reduction Cost Efficiency Index	0.7	0.9	0.85	0.8	0.75	0.7		All heads of cost centres
		Establish ALCO	Operationalize ALCO	December 2018							CFO
		Prudent Treasury Management	Liquidity Ratios	1:1	1:1	1:1	1:1	1:1	1:1		CFO



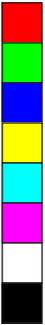
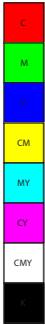
Key Result Area (KRA)	Initiatives	Activities	KPIs	Annual Outcomes					Resources required	Resources required	
				2018/2019	2019/2020	2020/2021	2021/2022	2022/2023			
	Grow Balance Sheet by 10% Annually	Mobilize External Resources through/from <ul style="list-style-type: none"> • Cryptocurrency • Donors • Corporates • Training Institutions • HELB Alumnae • Crowdfunding • Government Agencies • Diaspora • Foundations & Trusts • Counties • Constituencies • High Net worth Individuals 	Amount mobilized from External Sources	1.25B	250M	250M	250M	250M	250M	People, Systems, Processes, Budgetary provisions	MER
				5	1	1	1	1	1	People, Systems, Processes, Budgetary provisions	MER
		Grow the number of sector specific funds (SSFs) in line with the Big Four Agenda	Increased number of SSFs								



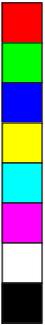
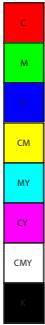
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets 5 years	Annual Outcomes					Resources required	Resources required		
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023				
Portfolio Protection	Implement a self-protect ion scheme (SPS)	Lobby for Treasury/KRA to allow donations to HELB to be tax -allowable	Donations to HELB being tax allowable	June 2020							People, Budgetary provisions	CEO	
		Setting up of a savings scheme	Savings Scheme Established	June 2021							People, Systems, Processes, Budgetary provisions		
		Lobby Treasury and CMA support in floating an education bond as a social bond	Education Bond Floated	June 2022							People, Budgetary provisions		
		Increase number of strategic partners	Number	15	3	3	3	3	3	3	People, Systems, Processes, Budgetary provisions	MER	
		Increase number of beneficiaries of External Funds	Number	15,000	3,000	3,000	3,000	3,000	3,000	3,000	People, Systems, Processes		
		Prepare accountability statements for each fund	Quarterly Accountability Reports	One month after end of each quarter								People, Systems,	
		Prepare Self Protection Scheme Operationalization documentation	Approved Policy Document and Operational Manual	June 2019								People, Systems, Processes, Budgetary provisions	MER CIO COO
		SPS system acquisition and set up	System in place	June 2019									
		Deduct FTA/SA 2018/2019 premiums	FTA/SA Undergraduate and TVET covered	June 2019									



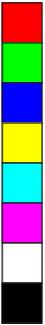
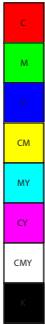
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets 5 years Sep 2019	Annual Outcomes						Resources required	Resources required
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023			
Grow student budget & the number of students covered	On board continuing education (CE) fund under the SPS	Investing the SPS Deductions	CE covered under SPS	30M	1M	3M	6M	9M	11M			MER CIO COO
		Increase average loan allocation per student by 5% annually and loan awards	Amount of Investment Income Increased student per capital loan Mean Testing Instrument (MTI) compliance report	Average loan Kshs. 55,070 100% Compliance	Average: Kshs. 42,000 100% Compliance	Average: Kshs. 48,700 100% Compliance	Average: Kshs. 50,991 100% Compliance	Average: Kshs. 53,419 100% Compliance	Average: Kshs. 55,963 100% Compliance			MER
Align to Big Four' agenda, Science, Technology, Engineering, Mathematics Innovation & Fisheries (STEMIF)		Identify & segment courses per agenda & Review MTI to allocate more to STEMIF -Increased funding to 'Big Four' courses	No of number of students funded.	416,306	Ksh. 13.76B	Ksh. 15.14B	Ksh. 16.65B	Ksh. 18.32B	Ksh. 20.1B			LM
			Data on retention and dropout	296,219	Enrolment and retention data	311,030	326,581	342,910	360,056			LM
			Number of loan awards to STEM programs Differentiated loan support for the 'Big Four' courses	205,421	169,000 students	177,450 students	186,323 students	195,639 students	205,421 students			LM



Key Result Area (KRA)	Initiatives of products	Activities	KPIs	Targets 5 years	Annual Outcomes					Resources required		
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023		Resources required	
	Marketing of products	Strategy Review to increase market penetration	- New brand name & office space	By June 2019							Human Capital	LM
		Product marketing	Reviewed & approved marketing strategy	10% annual growth of Continuing Education loan uptake	2500	2750	3025	3328	1.7B			
		Review Credit Policy (include self-employed, short courses.)	Reviewed and approved Credit policy	2018/2019 and 2022/2023	Reviewed credit policy				Reviewed credit policy		Approved Budget	
		Review Product Pricing	Reviewed product pricing CBK base lending rate+1	By June 2020								
		Strategic partnerships (inst itutions, White-list employers)	Employer's credit score	Continuous	Continuous	Continuous	Continuous	Continuous	Continuous	Continuous		COO
		Increase coverage of more TVET institutions in Ministries affecting Big4 agenda)	Marketing Strategy/ plan	Increase enrolment to 250,000 applicants per year.	90,000 new applicants	50,000 new applicants	50,000 new applicants	25,000 new applicants	25,000 new applicants		Kshs. 30b for loans	COO
		Improve internal processes	Increased average loan & include upkeep allowance	Average loan ksh.40000	Ksh.40000	Ksh.40000	Ksh.40000	Ksh.40000	Ksh.40000			CEO
			Faster Turn Around Time	60hours	60hours	60hours	60hours	60hours	60hours			LM/FM



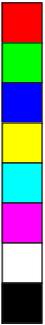
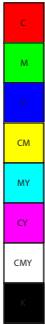
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets 5 years	Annual Outcomes					Resources required	Resources required LM/CXM
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023		
Customer centric credit administration	Devolve services to Huduma centers and regional centers.	Improve allocation & disbursement TAT	marketing & verification of forms	2 services	Marketing products	Marketing verification & verification	Marketing verification	Marketing verification	Marketing verification		
			Availability of online services	100% online services	75% online services	100% online services	100% online services	100% online services	100% online services	Support team; Robust ICT	COO
			Smartcard utilization	100% smartcard utilization	50% smartcard utilization	75% smartcard utilization	90% smartcard utilization	100% smartcard utilization	100% smartcard utilization	Service provider	CIO
Improved loan application process	Review loan application procedure and process	Automation and Process re-engineering	Reviewed and efficient product application processes	100%	30-Jun-19	Continuous	Continuous	Continuous	Credit policy committee	LM/CIO	
			Scan & upload application signed page and attachments online	6 products online	Subsequent form	CE,PG, managed funds, scholarships and KRA	TVET, TFR	All products	All products	LAF	LM/CIO
Conversion of HELB into a Tertiary Funding Corporation	Seek approved for the regulatory & legal operating environment	Re-designated Corporation	By June 2023							CEO	



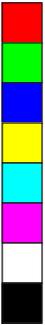
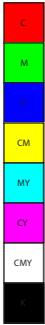
FINTECH PILLAR

Strategic Objective: FINTECH Optimization Service Delivery: To increase business efficiency through leveraging on technology by developing and implementing at least four service delivery innovations and at least three business process improvements annually while achieving 95% system availability by 2023.

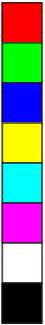
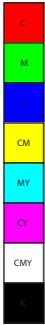
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023		
Enhanced automation level	Enhanced automation level	ERP stabilization	Deployed Infrastructure	30/06/19						80M	CIO
		ERP Enhancement & Stabilization	Stable ERP	30/06/2021			Stable ERP			80M	
		Improve Capacity to support ERP	Improved Competencies	30/06/2020			Competent t.AX skills				
	Ensure integration between mobile tech, portals & core system	Development & deployment of appropriate APIs	No of Functional APIs	4	1	1	1	1	1	8M	
		Loan application via mobile	No of loan products on mobile technology	10 Loan Products	2	2	2	2	2	23M	
		Implementation of an Enterprise Service Bus (EBS)	Functional ESB	10 ESB connections	2	2	2	4	2	40M	
		Engage business for continuous review of the integration	Review committee in place	Quarterly review meetings per year		30/09/2019	30/09/2020	30/09/2021	30/09/2022	30/09/2023	Nil
		Develop & implement a Disaster Recovery (DR) site	No. of Systems with DR Site Implementation	5	2	2	1	1	1	100M	
		Insure and Manage premiums	Implement Insurance system	Insurance Management Module	30/06/2020		Insurance Module			20M	



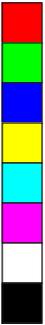
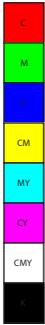
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required		
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023			
Enhance Digital Service delivery	Enhance system uptime	Ensure redundancy of critical systems	-Systems Availability	95%	95%	95%	95%	95%	95%	50M	CIO	
		Implementation of an intelligent dashboard for system availability reporting	Implemented dashboards	6 Dashboards	2	1	1	2	5M			
		Ensure Information sharing	-Frameworks for data sharing	6 Operational frameworks	1	1	1	1	0			
	Enhance online linkages with strategic partners	Enhance customers self service	Implement strategic Partners' service portal	No. Strategic partners on-boarded	10 Strategic Partners	1	2	3	2	5M		
			Develop App and portal for customers	Stable self-service portal & Apps	30/06/23	Student/Loanees Portal	Institutions portal	Student Mobile App	Partners Portal	Staff Portal	6M	
			Develop and implement a reconciliation tool	-Automated reconciliation	30/06/2021			Reconciliation System			10M	
	Avail Braille applications, Voice Apps and products tailored towards other special needs	Special needs application systems	2			1		15M				



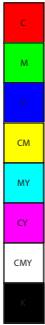
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023		
Enhance Communication and Customer Service	Enhance Communication and Customer Service	Review and implement communication and customer service delivery channels	Enhanced Communication and Customer Service	6	1	1	1	1	1	35M	CIO
	Management of internet of things & big data	Develop a framework for handling of internet of things & big data	No. of internet of things implemented	2 per year	2	2	2M	2M	2M		
	Acquire standards for open connectivity	Adopt infrastructural standards that allow for open connectivity	Standards for open Connectivity in place	5	1	1	1	1	1	Nil	
	Embrace cloud computing	Cloud technology adoption	Cloud Technologies adopted	5	1	1	1	1	1	5M	
		Identify systems & or infrastructure to adopt cloud computing	Identified & implemented services for Cloud Computing	30/06/2023	30/04/2019 -MS office 365 -Dropbox instead of USB -DR site	1	1	1	1	3M	
Enhancement of financial technology	Identify appropriate technology to match the Fintech requirements	Fintech technology areas identified and implemented	5	1	1	1	1	1	10M		



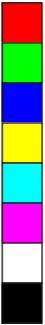
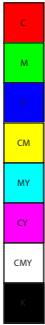
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required	
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023			
Information Security	Implement IS Security framework	Ensure total integration between mobile tech, portals & core system	Implemented Straight Through payment, bank statement and Mpesa payments	%Implementation	95%	95%	95%	95%	95%			CIO
			-No of FinTech Solutions rolled out.	10 Fintech uptakes	2	2	2	2	2	10M		
			-Secure IS infrastructure	5 Access control Improvem ents	1	1	1	1	1	30M		
			Secure Online Transactions	3 Web security improvem ents	1	1	1	1	1	10M		
			Improved Cyber- security	4 Cyber Security Interventi ons	1	1	1	1	1	12M		
			Functional DR Site	30/06/2019	DR Site					12M		
			Ethical use of technology	3 Ethical use Policies	1	1	1	1	1	4M		
			Centralized Systems logging	30/06/2021	Implemen ted Syslog					5M		
			ISMS Certification	30/06/2021	Implement ed ISMS					2M		



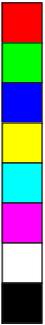
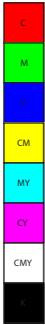
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required			
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023					
Information and Data Management	Access to Information & Network Security	Implement ISO 27000	Increased security awareness and governance	30/06/2022										
		Implement a robust network security solution	Secure network	10 Network security implementations	2	2	2	2	2	2	50M			
		Create and maintain a robust data management system	Functional data warehouse	30/06/2023	2	2	2	2	2	2	65M			
		Adoption of ICT Service Framework	Implemented ICT Service Framework	90%	30/06/2020							6M		
Information and Data Management	Put in place robust data Management Information System	Carry Out Data Cleanup Enhance Clean Data capture	Historical Data Cleaned Clean data coming in	30/06/2022	10%	20%	30%	30/06/2020	30/06/2021	30/06/2022	20M			
		Establish an Enterprise Data Repository	Data Warehouse established	30/06/2022				31/03/2020	30/06/2021	30/06/2022	3M			
		Use of analytical tools	No of Analytical Tools Implemented	8	1	3	2	1	1	1	80M			
	Ensure Information sharing	Frameworks for data sharing	Operational frameworks	6	1	2	1	1	1	0				



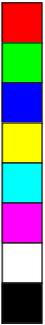
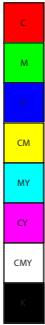
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required	
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023			20M
Innovation	Implement Artificial Intelligence (AI)	Identify strategic areas for AI implementation	-No of AI implementations	5	1	1	1	1	1	1		
	Create & maintain a conducive environment for innovation	Identify & re-engineer key business processes	No of Business processes re-engineered	20	4	4	4	4	4			
		Identify areas of innovation	Innovations implemented	10	2	2	2	2	2			All departmental heads
Records digitization and Storage		Carry out one market intelligence research	Research reports concluded	5	1	1	1	1	1			Kshs 3M per year
		Develop and implement a robust records management policy and digitize	%age of digitized records	60%	10%	10%	10%	10%	20%			COO
		Identify & acquire appropriate eDMS. Ensure configuration & operationalization of EDMs	-Working and efficient EDMs	40 % Reduction on paper usage	5%	5%	15%	15%	15%	80M		CIO
	Supplier and Contract management	Implement a supplier and contract management framework	Sound supplier Service Level Agreements (SLA) and Contracts implemented.	100%	100%	100%	100%	100%	100%	Nil		Supplier and Contract management



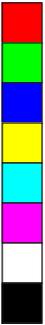
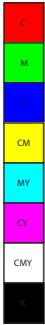
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	
Compensation & Rewards	Implement Performance Improvement Program (PIP)	No. of people on PIP	As per the annual performance report.							HHR
	Enrich the use of PM tool	Quality of Performance Management Framework	By 2021/2022							
	Automate Performance Management	Automated performance management system	1 per year							Budget allocation
	Implement Recognition & Award Scheme	No. of revised programs or added benefits	Annually							
	Increase employee Compensation & benefits in depth and variety	Approved performance reward	By 2018/2019							
Implement Performance Based Reward	Availability of medical cover for retirees	By 2020/2021								
Implement medical cover for employees after retirement	% of eligible staff granted mortgage	70% of eligible staff								
Improve affordability of Housing to all eligible staff in line with 'Big Four' agenda	70% of eligible staff	70% of eligible staff								



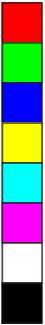
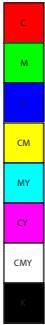
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023		
Talent Management	Enhance Leadership & Management	Carry out organization wide Leadership program	No. of staff in leadership positions taken through the program	16 staff annually	16	16	16	16	16	Budget allocation	HHR
		Carry out Job analysis & Job Evaluation	Job Analysis & Job Evaluation Reports	Every four years				1		Budget allocation	HHR & Line Managers
	Jobs & Organization Design	Job Enrichment & Rotation	% of staff rotated in different roles	10%	10%	10%	10%	10%	10%		
		Development of competency framework	Approved Competency framework	2018/2019	1	20%	30%	20%	10%		
Talent Management	Talent Management Framework	Carry out Talent Identification & Mapping	Report of all staff talent map	2018/2019	9						
		Draw a Career Progression Mapping	Report of all staff progression map	2019/2020	0						
	Recruitment & Onboarding	Talent Development & Deployment	Talent status report	2019/2020	0						
		Review & Update HR Processes	Updated HR Processes & procedures	Annually	1	1	1	1	1		
Recruitment & Onboarding	Implement Diverse recruitment and selection methods	Implement recruitment approach	Revised recruitment approach	2018/2019	9						
		Implement Online Recruitment	Availability of online recruitment portal	Active portal by 2019/2020	0	1				Budget Allocation	



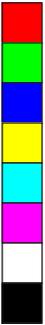
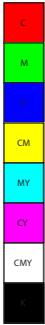
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required	
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023			
Strategic Business Partnership Model	Facility Management	Having equipped break out rooms	No. of break out rooms	All floors	1	1	1	1	1	1	P&LM	
	HR Partnership Model	Ensure Maintenance of facilities	% Maintenance	100%	100%	100%	100%	100%	100%	100%	Staff Budget	
		Operationalize HR Business Partnership Model across all business units	HR Business partner model in place	By 2019/2020	1							HHR
		Implement Employee Portal	Operational Employee Portal	By 2019/2020	1							Budget
Employee Self Service (ESS)	Implement E-learning	Availability of system for E-learning	By 2018/2019	1							Budget	
	HR Consultancy & Advisory	Carry out Staff Rationalization & Optimization	Reports	Annually	1	1	1	1	1		HHR	
		Structure Training	Implement Infosys Learning Model	Fully implemented model	2019/2020							
	Implement training based on 70:20:10 Learning mode	Acting Appointments	No of Staff Appointed	3 per year	3	3	3	3	3		Budget Allocation	
		Delegation of duties	No. of Staff nominated to represent/ assigned duties outside their JDs	10 per year	10	10	10	10	10		Budget Allocation	
		Roll out Mentorship Programs	No. of programs	Annually	1	1	1	1	1			



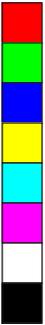
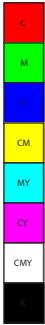
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	
Legal Risk Management Framework	Develop & nurture a legal risk intelligent institution	Roll out Employee Coaching program	No. of programs	Annually	1	1	1	1	1	HHR
		Implement Functional Trainings based on TNA	% of staff trained based TNA report	Annually	80%	80%	80%	80%	Budget	
		CPD Training	% of staff attended CPD training	As per TNA requirement	1	1	1	1		
		Measure ROI on training	Report on Return on Training Investment (ROTI)	Annually	1	1	1	1		
Legal Risk Management Framework	Develop & nurture a legal risk intelligent institution	Develop & Implement legal Risk policy	Approved Legal Risk Framework Reports	June 2019						
		Provide periodic legal risk management reports to Management and the Board	Reports	Continuous						HIARMC
		Develop and implement an effective Enterprise Risk Monitoring and Evaluation framework	Approved monitoring and evaluation framework & Implementation Reports	Quarterly	4	4	4	4		
Legal Risk Management Framework	Develop and implement dispute resolution mechanism	Develop & Implement litigation strategy	Approved Litigation strategy	June 2019						HL&CS



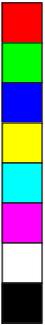
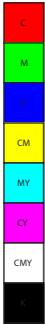
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required		
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023			
Governance and Compliance	Develop and operationalize litigation monitoring tool	Develop & Implement Alternative Dispute Resolution policy	Operational Litigation monitoring tool	June 2019								
				June 2019								
	Enabling Legal framework	Review Higher Education Loans Board Act, Cap 213A	Reviewed & Approved HELB Act	June 2020	1					20M	HL&CS	
				80% by 2023	70%	65%	75%	80%		HL&CS		
	Develop Litigation strategy	Implement ADR mechanism	% of cases settled out of court	2018	70%	65%	75%	80%				
				2018	60%	65%	75%	80%				
	Enhance Governance & Leadership	Develop/Review governance policies and tools	Policies and tools	All by 2020	1						HL&CS	
				Annually	1	1	1	1	1	16M	HL&CS/CEO	
	Establish Governance compliance levels	Carry out Governance Audit	Implement recommendation s of the Governance Audit	Governance Implementation Report	Annually	1	1	1	1	1		HL&CS
					Annually	1	1	1	1	1		
Carry out Board of Directors capacity building	Develop and implement capacity building plan	Number of Programs implemented	Number of Programs implemented annually	One program annually	1	1	1	1	1	6.6M		
				80% of Board Members trained	80%	80%	80%	80%	80%	7.4M		



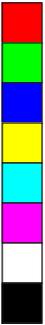
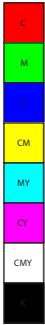
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required		
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023				
Business facilitation	Board Competence	Facilitate global benchmarking (study tours)	Benchmarking reports	Annually	2	2	2	2	2	80%	7.4M	HL&CS	
		Develop skills matrix for the Board	Board Skills report	Annually	1	1	1	1	1	1		CEO	
		Conduct Board Members evaluations	Board performance Index	Annually	1	1	1	1	1	1		HL&CS	
		Establish a compliance universe	Compliance Universe	Annually	1	1	1	1	1	1			
		Compliance with applicable laws, regulations, guidelines ,standards and contracts	Compliance reports	Continuou s									All relevant functional heads
	Legal Consultancy & Advisory	Develop skills matrix for the Board	Legal Audit reports	Annually	1	1	1	1	1	1			HL&CS
		Implement recommendations of the legal audits	Implementation reports	Annually	1	1	1	1	1	1			
		Interpret and advise on legal and regulatory frameworks, policies and procedures-	No. of advisories	Annually	3	3	3	3	3	3			
		Prepare procurement plan	Approved Procurement plan	30th June	1	1	1	1	1	1		Staff Budget	P&LM
		Implement procurement plan	% implementation of Annual procurement plan	100%	100%	100%	100%	100%	100%	100%		Staff Budget	All relevant functional heads



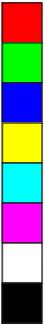
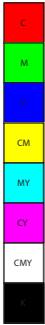
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required P&LM
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023		
Risk Intelligent Culture	Provision of Warehousing and store services	Prudent inventory management	% of stores requisition processed	100%	100%	100%	100%	100%	100%	Staff Budget	
		Asset disposals	Annual disposal report	Annually	1	1	1	1	1	Staff Budget	
		Implement a secure document storage and warehousing facility	Adequate and secure warehousing facility	June 2020	1					Staff Budget	
Risk Intelligent Culture	Provision of efficient and cost effective outsourced services	Timely procurement of services	Efficient and cost effective services	100%	100%	100%	100%	100%	100%	Staff Budget	
		Appointment of departmental risk champions	Risk Champions appointed	30th Sept 2018	1						HIARMC
		Capacity build on Risk Management	No. of Trainings	Bi-annual	2	2	2	2	2	8M	HHR
		Develop & maintain a dynamic Enterprise Risk Registers	Risk Register in place and being maintained	Quarterly	3	4	4	4	4		All Functional Heads
Risk Intelligent Culture	Implement ERM framework	Provide risk management reports to Management and the Board	Reports to management and the board.	Quarterly	4	4	4	4	4		HIARMC
		Develop and implement effective Enterprise Risk Monitoring and Evaluation tools	Key risk indicator (KRI) and Loss Data (LDM) reports	Quarterly	1	4	4	4	4		



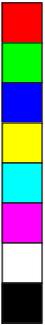
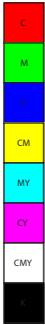
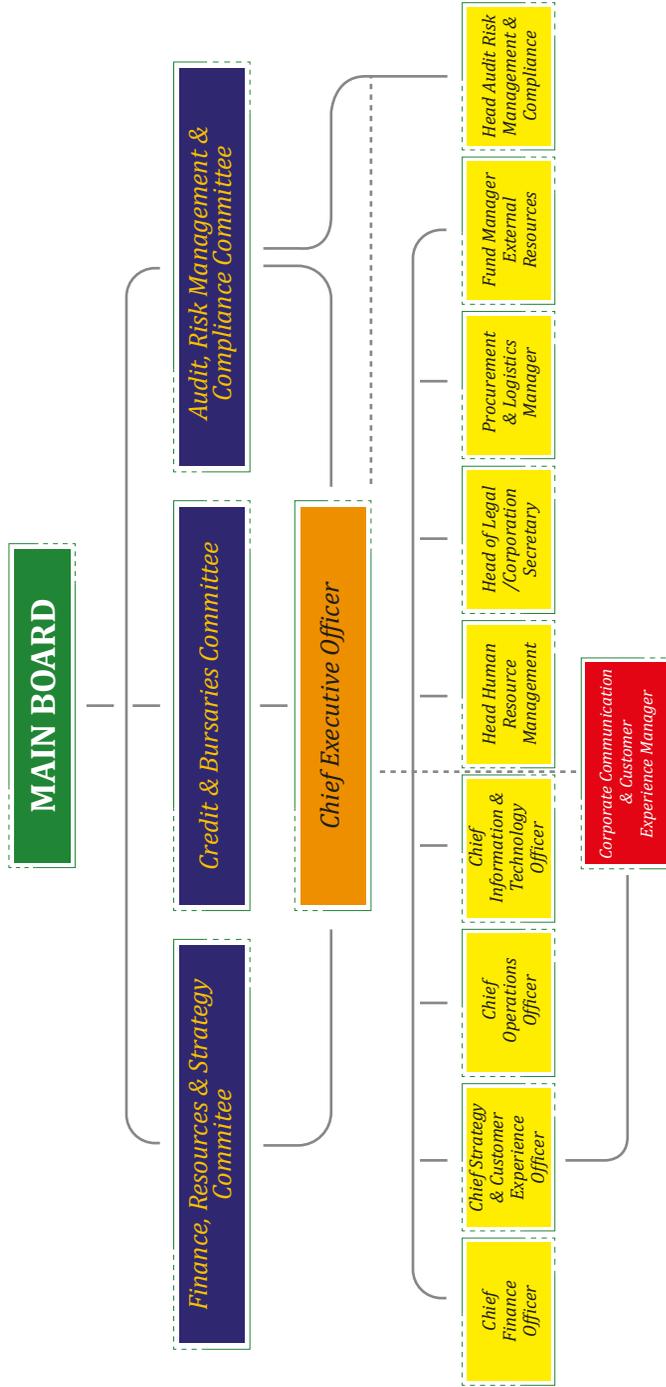
Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets 2022/2023	Annual Outcomes					Resources required	
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023		
Business Continuity Management	Enhance Business Sustainability	Automate Risk Management Processes	Automated Process	2022/2023		1			1	5M	HIARMC
		Review ERM policy framework	Reviewed and approved ERM policy	2021/2022			1				
Business Continuity Management	Enhance Business Sustainability	Develop a Business Continuity Management framework	Approved Framework	2019-2020	1		1				
		Develop & Implement Disaster Recovery Plan	Disaster Recovery Plan and Site in place	2019-2020	1						CITO
		Identify Potential Successors for all critical roles	Succession Map	2020/2021		1					HHR
		Develop plan and implement infrastructure for Business Continuity	Plan and Infrastructure for BCM in place	2020/2021		1					PLM
Assurance & Consultancy	Enhance value adding assurance services	Develop contingency funding plan	Documented & Approved plan	2018/2019	1						CFO
		Develop and implement a risk based assurance annual work plan	Work Plan Implementation report	Annually	1	1	1	1	1		HIARMC
Assurance & Consultancy	Enhance value adding consulting and Advisory services	Develop and implement a risk based consulting and advisory annual work plan	Approved consulting and advisory work plan	Annually	1	1	1	1	1	5,000,000	HIARMC
		Develop and implement a risk based consulting and advisory annual work plan	Implementation report	Annually	1	1	1	1	1		



Key Result Area (KRA)	Initiatives	Activities	KPIs	Targets	Annual Outcomes					Resources required	Resources required
					2018/2019	2019/2020	2020/2021	2021/2022	2022/2023		
Knowledge management	Quality Assurance	Conduct Ad hoc Assignments	% completion	100%	100%	100%	100%	100%	100%	HIARMC	
		Perform internal audit quality reviews	Review reports	Annually	1	1	1	1	1		
Knowledge management	Implement knowledge management platform – repository	Develop knowledge management framework	Approved Knowledge management framework	By June 2019	1	1	1	1	1	CSCXO	
		Develop guidelines on identifying, harnessing, sharing, storing & processing of knowledge	Approved guidelines	By September 2019							
Corporate Social Investment [CSI]	Creating Shared Value	Sensitize staff on knowledge management framework	%age sensitized	100% by Dec 2019							
		Implement guidelines on knowledge management framework and guidelines	Implementation report	Annually from January 2020							All functional heads
Corporate Social Investment [CSI]	Integrating Sustainable Development Goals	Corporate Social Investment [CSI] Policy	Corporate Social Investment [CSI] Policy	June 2019						Data Collection & Analysis and Capacity Building	CC&CXM
		No. of reviews done	robust management and monitoring framework	Mid-Term Review	1						
		Operationalize CSI Policy	Sustainability Report to stakeholders	Once Every Two Years						Budgets & Capacity Building	



ANNEX 2 – ORGANISATIONAL STRUCTURE





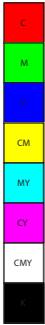
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