

DISCOVER PROFESSIONALISM

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The Chartered Insurance Institute

As the leading professional body for the insurance and financial services sector with over 100,000 members in more than 150 countries, the CII Group is committed to protecting the public interest by guiding practitioners in the sector towards higher technical and ethical standards. We do this by offering them a broad portfolio of services and support to achieve this, including membership, qualifications, continuing professional development, thought-leadership and the maintenance of a benchmark Code of Ethics.

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Acknowledgement

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Foreword

Talented people are the lifeblood of insurance and financial services, and I believe that attracting and cultivating them is essential to growth in the face of competition, and to help us nurture our future leaders.

While good progress in being made, the overall perception of insurance from the outside is at best mixed, particularly among those considering our profession as a career. So we must take coordinated and collective steps to address this, and the Chartered Insurance Institute is uniquely positioned to lead this industry-wide effort.

The CII's own research has shown that we are not a profession of choice for young people considering their career options – however when they learn more about insurance, perceptions begin to change, and for the better.

To this end the CII has been working hard to promote insurance and financial services careers in schools, colleges and universities, and in doing so enlisting the support of employers. Discover Risk is proving to be very popular and is helping to dispel some of the myths surrounding insurance.

Our work promoting careers within this profession of ours has to be supported by the professional conduct of our members and wider practitioners. Trust, confidence and sector image play an important role in young people's career choices and so the CII's work to promote professional standards can only benefit our ability to attract the next generation of talent.

We will continue to bang the drum for insurance in schools, colleges and universities but to be successful it will require a collective effort from the sector to support the nurturing of our future talent.

Julian James
President
The Chartered Insurance Institute



1. Introduction

Young people are looking for fulfilling and worthwhile careers. The ‘professions’ are frequently cited as a means of achieving such a career. However those embarking on a career rarely think of insurance as a profession. Nor do they always think of it as a worthwhile sector of business to engage with. Yet they readily admit to knowing little about the insurance sector beyond what they pick up from the media, a source they also acknowledge as unreliable.

This paper takes those themes of professionalism and worthwhile careers and explores them within the context of insurance. In other words:

- what makes insurance a profession
- what makes insurance a worthwhile sector for young people to engage with
- what professionalism offers to the career paths of young people.

We consider the experiences of recent recruits to the insurance sector and show how those experiences are rooted in the unique role that insurance plays in society. That unique role in society is then explored through examples of how insurance is closely involved in tackling some of the world’s greatest challenges.

Professionalism is not something that you achieve after passing a set of exams, important though qualifications are. It is an ongoing commitment to how you work throughout your career. That inevitably involves individuals, employers and professional bodies working together to achieve lasting and valued professionalism. This paper offers some guidelines on the responsibilities that people take on when putting professionalism at the heart of their career, as well as the responsibilities they should expect to see exercised by their employer and professional body.

2. Professionalism and Insurance

The first paper in our series of ‘Papers in Professionalism’ series summed up professionalism as being about *‘qualifications, standards and duty to the public interest’*. It then put some meat on those bones by listing seven characteristics of professionalism to emerge from research we had commissioned – you will find them listed in the box opposite. The research also recognised that professionalism applies not only at the individual level, but also at the corporate level - firms have a contribution to make too.

Everyone expects a professional to carry some form of qualification, but what do standards and a duty to the public interest mean? Qualifications point us towards the answer. Qualifications create a body of educated people who know things that most other people do not. Where the subject matter of those qualifications is relatively technical and complex, the gap between those who know about it (the professionals), and those who do not (the public), is a wide one. That information asymmetry between the professional and the public places the professional in a position of some power and so standards are needed to ensure that that power is exercised in a responsible manner. So to call yourself an accountant, lawyer or doctor, you need to subscribe to a code of ethics, which is overseen by a professional body. Those bodies organise their profession so that membership, qualifications and standards are all aligned.

Certain professional bodies have been granted a charter in order to distinguish the professionalism of their members from the activities of associations or societies. In return for the privilege and exclusivity of such a charter, its members are required to commit themselves to serving the public interest. This distinguishes the professional body from trade associations or trade unions, who are duty bound to put the interests of their members first. In the context of a profession, ‘serving the public interest’ means putting the interests of the public before your own interests. For example, you should sell the client a product best suited to them, rather than one that offers you the best commission.

So is insurance a profession? Consider these points:

- The Royal Charter granted to the Chartered Insurance Institute (the CII) in 1912 states that the purpose of the Institute is to “secure and justify the confidence of the public”
- The CII’s Code of Ethics applies to all of its members and is upheld by an independent Professional Standards Board
- In 2010, over 85,000 people sat CII exams, based upon more than 3.5 million hours of learning.

Consider also the skill and experience needed to design insurance cover for the risks presented by everything from a Formula 1 racing team to a factory making fireworks. Or the skill and experience to ensure claims assessors and settlement teams respond rapidly and effectively to thousands of people affected by a major flood event. Or the skill and experience needed to persuade an underwriter to take on the risks for the launch of a climate monitoring satellite or the testing of a previously untried form of renewable energy production.

Welcome to the profession of insurance.

Professionalism

In simple terms...

- qualifications
- standards of behaviour
- public interest

and a little more detailed...

- acting in the client’s interest
- a code of practice
- high entry standards
- ongoing competence
- regulation by an independent body
- member accountability
- enforcement and discipline

Professionalism in Today's World

The CII's Royal Charter is 100 years old in 2012. So in a world of price comparison websites and social media marketing, do the hopes and aspirations of the Edwardian insurance community still hold true today? Is professionalism in insurance still relevant?

It is very much the case that those hopes and aspirations still hold true because the three key strands of professionalism (qualifications, standards, public interest) are just as important today as they were a century ago.

In terms of qualifications, as business becomes more complex and interlinked, insurance people need the skills gained through qualifications to understand how best to cover the risks businesses are facing. In terms of standards, the public now have much clearer, and higher, expectations of how they want to see business people behave. And in terms of the public interest, insurers, like many businesses, need to show a clear and positive contribution to society and the environment, therefore being in tune with the public interest is vital.

Indeed, the professionalism encapsulated in the Royal Charter is probably more relevant today than it was in 1912. While price comparison websites and social media marketing will provide lots of information, it is still the professional who is best qualified to guide you through all that information and point you to what is right for you (remember that public interest element of professionalism). The need for quality knowledge and guidance is needed more than ever.

Another difference with the past is the much greater extent to which insurance is now regulated. So to what degree might regulation have overtaken professionalism in ensuring the public receive the insurance that they need?

The last ten years have seen a considerable amount of regulation introduced into the insurance market and its breadth and detail has certainly influenced the debate over standards and the public interest. Yet while it sought to strengthen consumer protection (and has done so, to a degree), it has not brought about a renewed public confidence in insurance. This is because, by underpinning its high level principles for the insurance market with minimum standards of conduct for anyone in a position of influence, it has created a culture that appears more orientated around compliance than one orientated around aspiration and attainment.

As a result, professional bodies like the CII, in setting the qualification frameworks and ethical standards that drive the aspiration and attainment that underpins professionalism, remain just as relevant today as they were 100 years ago.

3. Careers, society and responsibility

Perceptions of Business as a Profession

Professional conduct and ethical practices matter to young people. It reflects their interest in gaining qualifications as a way of progressing their careers. It matches their commitment to upholding standards in their working life. And it resonates well with their interest in worthwhile work that supports the interests of the public.

Yet a profession linked with business (as opposed to one like medicine) is not always an easy choice for some young people. Research in 2010 by Ipsos MORI for the Institute of Business Ethics found that the proportion of young people in the UK who believed that companies generally behaved ethically stood at 56%. So 44% were either neutral or felt business generally behaved unethically. This level of doubt makes trusting a company with your career that bit more difficult a choice.

So how does insurance compare in the minds of young people? Research into students' attitudes to insurance conducted in 2010 by YouGov on behalf of the CII found that 45% of university students (and 38% of pre-university students) described the insurance industry as 'untrustworthy'. Comparing this with the Ipsos MORI research for the behaviour of business overall, it indicates in general terms that insurance is no more, or less, trusted than business overall. So if you are cautious about a career in business, you will be cautious about a career in insurance too.

Indeed, it is surprising that insurance is not treated more cautiously by young people, given the experience most have when first making use of insurance. This is invariably when buying motor insurance, with many young people being quoted premiums in thousands of pounds to insure their car. Compare that experience with young peoples' first contact with other professions and you can see how attitudes may be clouded.

Yet in hindsight, new recruits to insurance invariably look back on that initial caution with some surprise. Having perhaps shared a prevailing image of insurance as dull and uninteresting, the actual experience of new recruits turns out to be quite different. "It is not just an office job" and "the variety it offers" are typical views. Rather than having previously found themselves just "falling into a career in insurance", a growing number are recognising that it offers a career that is not just rewarding, but professional and worthwhile as well. In the next two sections, we will explore the experiences of new recruits in a little more detail and take a look at a unique characteristic of insurance that influences those experiences: the social value of insurance.

Insurance as a Career Choice

So what do young people who do opt for a career in insurance say about what they found?

Variety is frequently mentioned. The wide range of risks and clients they get to deal with means that each day can be different. With young people drawn from across a variety of backgrounds and with the global reach of the UK insurance market, they are often in contact with all types of people. The wide range of functions that make up insurance can lead to young people gaining exposure to several different roles as they move around a company.

'The landscape is fast-moving and ever-changing which means that there are always new developments driving the industry forward. I am constantly expanding my knowledge and developing my skills which provides a fulfilling working environment within which to grow.'

Dan Lander, UK Special Risks

Relationships are also often talked about. Insurance is a very much a 'people business', with personal contact and the building of relationships an integral feature of the market. What makes it a 'people business' is the way in which risks are brought into the market and then spread around it to reduce any one insurer's exposure. There is also a great deal of contact with clients and their businesses, in order to understand exactly what type and scale of risks they have got. All of this creates a good social side to work as well.

'I love the fact that my role is very social whilst being complex and analytical. I get to travel all over the UK as well as within continental Europe, which means that there is no office routine.'

Maria Andriola, PRO Insurance Solutions

Opportunities is something that crops up a lot when new recruits talk about their job. This comes from the variety of risks and clients, which generates a diverse range of roles, so there is less risk of someone being pigeon-holed. It is also a career in which professionalism is valued and recognised. Yet it is also a very accessible professionalism, without any of the stuffiness that sometimes characterises others.

'I get to deal with accounts from banana growers in the Caribbean to some of the most sophisticated observatories in the world.'

Luke Reeve-Tucker, Willis

Perhaps insurance is not alone in offering variety, relationships and opportunities to young people seeking a career, but there is something else that makes what it offers rather unique. It is something that results in those three qualities mentioned above being fundamentally embedded within how insurance works. It is to do with the relationship between insurance and society.

Insurance and Society

To understand that relationship between insurance and society, you need to explore why insurance was invented in the first place. What value does insurance bring to society? Well, consider this. Every car, bus, train and plane you enter is insured. Every building you live, work, study, shop and relax in is insured. Everything you buy will at some point have been insured. Every firm you work for, or apply to for a job, is insured. All the hardware and software that makes the internet and smart phones work is insured. Every new technology being developed is insured. Every sporting event you watch is insured. Insurance is not something you can see and touch, but it is all around you, all the time.

Take away that insurance and the consequences for society are dire. Without insurance, travel would be difficult and fewer buildings would be replaced after a fire, or built in the first place. There would be fewer things to buy and fewer companies producing them, with fewer jobs as a result. There would be no internet or mobile phone network. So why is that the case? How does insurance do this?

Without insurance, you would need to keep some money aside to deal with the financial consequences of incidents like car accidents or house fires. You need to do this so that the car repairs or property damage can be paid for. So while a few will need to use that money because they have been unlucky enough to have suffered a loss, everyone else will find that that money has just been sitting around doing nothing. Insurance replaces that need to keep large sums of money aside to cover the costs of accidents by sharing that risk across everyone – the few who will suffer a loss and the many who will not. As a result, insurance frees up that previously 'stored away money' and allows it to be used for other purposes. For a business, this means investing in new equipment to produce new products, which in turn creates more jobs to build that equipment and then more jobs from it being put to use. Economic activity increases and society benefits from it through greater stability, more jobs and a willingness to take more risks to advance the well being of everyone.

That is why insurance is so pervasive, why it is part of the everyday lives of everyone in the UK. It is been knitted into the fabric of our society so closely that sometimes that very basic function outlined above is forgotten. That is why it offers almost unmatched variety in a career, because it touches on every type of business, every type of activity – you get to learn a lot about how the UK works. That variety then drives those other two qualities of relationships and opportunities.

Let us put it in more practical terms: if you are interested in film, then become a film production underwriter; if you are interested in numbers and patterns, then become a windstorm analyst for an insurer; if you are interested in how things get built or made, become a property underwriter, and; if you are interested in investigating things, become a claims assessor. The list is as long as your imagination.

Insurers have sometimes been accused of making a living out of people's misfortunes. Consider the pot-half full view of that impression – insurance is about giving the people the means to recover from those misfortunes. Or in somewhat starker terms: with insurance, the factory gets rebuilt and jobs are saved; without insurance, the factory is not rebuilt and firm closes down.

Another aspect that makes the UK insurance market very special is that it does all this on a truly global scale. The UK market insures businesses across the world, to the extent that in the past year alone, UK insurers have paid out over £75 billion in claims for floods in Australia, earthquakes in Japan and New Zealand and tornados in the United States. No other country can match this international outlook and the vibrancy it brings to the market. So remember: whilst disasters like these unfold on 24 hour news channels, insurance teams will be meeting to roll out their response plans.

To this can be added a long string of other statistics – over 350,000 people employed in the UK; over £8.2 billion paid in corporation tax; managing around 24% of all investments in the UK. But there are other sectors who employ lots of people, who pay lots of tax or who do a long string of good deeds for society. What makes the social role of insurance so unique is that spreading of risk so that money can then be freed up for other, more social productive purposes. By taking responsibility for risks in this way, it has become a fundamental part of how our society works.

And that is why recruits to insurance find it so varied, so connected in to everything that goes on in society. So while it provides cover for virtually every car in the world, it is also providing cover for the launch and running of the climate monitoring satellite gathering data on the pollution levels that all those cars are creating. Just as it provides cover for both intensive and organic farms in developed countries, it is also putting together unique covers for food production risks in developing countries.

The UK insurance market is full of examples of innovative and forward thinking in how its insurers and brokers are helping to tackle some of the world's big issues. The two case studies that follow illustrate just how engaged the insurance sector is with two global issues: feeding the world and climate change.

Insuring Agricultural Risks in the Developing World

Since 2000, food prices have nearly doubled around the world, leading to incidents of social unrest, economic hardship and many more people facing hunger. Price rises usually lead to increased supply but this has been hindered by a series of extreme weather events (for example droughts, storms and floods) that have hit supply levels. This in turn produced price volatility, which hit investment in productivity because of the uncertainty over whether any return would be earned. Some countries are more vulnerable to such fluctuations than others, especially where small producers work on small margins and rely on that year's crop to repay the loan taken out to buy the seed used to grow it in the first place.

Recent years have seen the development of a number of agricultural insurance products to help overcome these problems. Different types of weather events are being covered in different ways. Events that do not happen very often, but cause a great deal of damage when they do (tropical storms for example) are being covered through natural catastrophe insurance, with underwriters at Lloyd's of London leading this market. Weather events that involve low but devastating movements in rain or temperature are being covered by index insurance covers, where payouts are determined by triggers based upon official yield statistics or weather data. More sophisticated insurance products help smooth budgets for Government subsidies for crop insurance so that fiscal volatility is reduced.

Agribank is Vietnam's biggest commercial bank, playing a leading role in its rural and agricultural financial markets. This makes it a key provider of agricultural loans to the country's rice farmers, a sector that provides a livelihood to more than half the country's population. Should a flood or drought reduce yields, those rice farmers will be unable to repay their loan to Agribank, with all sorts of knock on repercussions. Agribank helps its rice farming clients to insure against being unable to repay loans due to low yields. Payouts will be defined by an independent "area-yield index" based on official data. The risk is then spread through local insurance markets and out to firms like Swiss Re in the global reinsurance market.

Climate Change

There are few business sectors more at risk from the impact of climate change than insurance. As the patterns of storms, floods and droughts evolve under the influence of climate change, insurers find the homes and businesses they insure becoming more exposed to loss.

That is why in 2007, a group of UK insurers formed ClimateWise, to coordinate their response to the issues thrown up by climate change. Its members counted for over half of all insurance premiums collected in the UK and they have since been joined by a number of other insurers from around the world.

ClimateWise members are taking a holistic approach to using all aspects of their core business to help reduce the risk of climate change. This approach is centred around six ClimateWise Principles which members commit to making progress on each year. These cover everything from risk analysis and customer awareness, to investments and their own carbon footprint.

One aspect that makes ClimateWise unique amongst initiatives like this is that its members commit to having their progress on climate change independently audited each year. The latest review in 2010 by PwC found that *'against a challenging market backdrop, ClimateWise members continue to demonstrate innovation and leadership in their response to climate change'*.

Alongside their work on the six ClimateWise principles, members engage in one of a number of cross sector collaborations, such as around sustainable claims management and the health implications of climate change. These bring together experts from across the market, to focus on tackling key climate change issues in partnership.

For a number of years, ClimateWise has issued statements to governments negotiating a global deal on climate change under the auspices of the United Nations Framework Convention on Climate Change and been invited to speak at a number of events leading into those negotiations.

In Summary

The world is changing. The way we work is changing. The way we see things is changing. The skill and experience of insurance professionals ensures that the risks flowing from those changes are absorbed and spread so that society can continue to develop and prosper.

4. Professionalism throughout a Career

Insurance is not alone amongst professions in wanting to attract talented people who, throughout their career, want to stay on top of their technical knowledge, uphold standards in their working lives and achieve something worthwhile through their work. The challenge, as some professions have found, is to ensure that that commitment to professionalism remains just as strong throughout their careers, as it was when they started out.

It would be fair to say that some professions have struggled to maintain a high reputation for delivering such an ongoing commitment to professionalism. The pressures of creating business opportunities and delivering financial results can sometimes chip away at that dedication to professionalism, often without the individual explicitly realising it. Occasionally, the insurance profession has a hard time convincing the public of its professionalism, despite the strides that have been made in recent years.

So what should insurance people do to ensure that that ‘professionalism drift’ is kept off their individual and corporate work agendas? What steps should recent recruits to the sector, now familiar with how it works, take to ensure that their careers are, to borrow a phrase, underwritten by professionalism from start to finish?

The solution has emerged in recent years on three fronts: that of the individual, the employer and the professional body. Professionalism depends on all three working together to achieve a mutually advantageous result. Set out below is a little more detail about what each can do to move forward and support each other’s efforts. You will see from the two case studies just how effective this approach can prove.

The Individual’s Responsibility

Each individual is responsible for their own professional standing. It is their commitment to gain qualifications and maintain their continuous professional development, to behave according to the standards of their profession, and to put the interests of clients before their own, that determines how their professional barometer is set.

Living up to this commitment is not something that just happens on its own accord. It needs attending to on a regular basis and seen through both a short term and long term lens. You should think of your career and your professionalism as indelibly linked, each defining and acting in support of the other. A long term plan for your career needs to have a long term plan for your professionalism running alongside it.

So what type of short term activities should individuals be doing to turn that long term plan for professionalism into reality? These fall into two broad camps:

Practice it

- join in discussions about professionalism, qualifications, standards and the public interest
- be open about what professionalism means to you and why it is important
- discuss the professionalism angle of everyday work situations with your colleagues
- praise the professional behaviour you see going on around you
- lead by setting a personal example.

Plan to Achieve

- plan, maintain and complete your continuous professional development (CPD)
- ensure that your CPD includes content about professionalism and ethics
- build professionalism into your annual appraisal and personal development plan
- build a plan for developing your professionalism stage by stage, with Chartered status as its ultimate goal.

The Company's Responsibility

The vast majority of individual professionals work within a corporate environment. Inevitably, the individual's ability to maintain, and act according to, their professional standing will be influenced by their firm. Clearly therefore, firms have a part to play in the professionalism of the insurance sector.

Traditionally, the support firms gave to individuals was made up of time from work to attend study classes, the subsidising of study fees and perhaps a financial reward upon a professional status being secured. More sophisticated approaches are now used, as more firms find that professionalism has become a tangible part of maintaining their competitive advantage. So what should firms be doing to facilitate and extend the professionalism of their people? Again, these fall into two key strands:

Clarity of Commitment

- the firm's leaders give a clear and unequivocal commitment to professionalism, expressed in both individual and corporate terms
- the firm's leaders set a highly visible example of how to behave professionally
- the business case for doing so is clearly articulated and communicated professionalism is embedded within the firm's strategy and supported by its business plans
- the relevance of professionalism in how everyone works is emphasised.

Structured Approach

- the business case for professionalism is cascaded down into individual action plans
- ethical standards and the public interest commitment are embedded into job and project specifications
- professionalism is reflected in how people are managed, from recruitment and induction, to remuneration and promotion
- individual initiatives towards furthering professionalism are supported and rewarded
- success at professionalism is communicated both internally and externally.

Many firms will view professionalism as integral to how they work, while some may be more circumspect. Clearly, if the individual finds that their firm's attitude to professionalism is out of step with their own, they may wish to reconsider working for that firm. Indeed, when looking to join a firm, new recruits should look beyond the webpages on corporate social responsibility and ask questions about how the firm has embraced professionalism and the ethical standards that go with it. Here are two examples of how firms are integrating professionalism into their corporate DNA.

Case Study: Towergate

Towergate is entrepreneurial to its core, but that is not the only pillar it has been built upon. The other is professionalism and it is taken very seriously. Four things define the approach Towergate has taken.



Firstly, they have articulated a clear business case for investing in professionalism, placing it firmly within the business's strategy rather than as just a nice add-on. Secondly, it is all-encompassing, covering everyone in the company from new recruits to senior directors and irrespective of whether they are insurance, financial services, technology or support people.

Thirdly, their delivery is very interconnected, with professionalism embedded across competency frameworks, job descriptions, HR policies, training programmes and the like. And finally, it approaches the ethical element of professionalism on both a personal and a business level, recognising that it is individuals that make decisions in business settings.

So professionalism is not an option at Towergate. It is expected of everyone, all the time, from day 1. Clients and new recruits see it through the visibility given to Towergate's Chartered Firm status (see p14) and its commitment to the Aldermanbury Declaration (see p15).

One interesting side effect of this all encompassing approach to professionalism is a renewed confidence being shown by experienced personnel to return to their professional studies and complete examinations left unfinished earlier on in their career. Underpinning that renewed confidence is a recognition that their effort is worthwhile, being openly recognised in the way remuneration and advancement are assessed.

For Towergate's management team, professionalism has helped them build Europe's largest independently owned insurance intermediary in just 13 years. It has also helped them deliver on what is Towergate's other defining characteristic: the ability to innovate and adapt to change. They recognise that being entrepreneurial and innovative has limited staying power without professionalism.

Case Study: Lockton

Lockton International is the UK arm of one of the world's top ten insurance broking firms. Its chief executive, Julian James, has been a vocal advocate of insurance as a choice of professional career for many years. That top down commitment turns out to be a vital ingredient to ensuring professionalism forms part of everyone's working lives.



At Lockton, it is supported by a set of global philosophies that unite how its people work. With its references to a highly ethical culture, helping employees to achieve their ultimate potential and delivering unparalleled service, these philosophies form the backdrop against which the professionalism of all of Lockton's people is measured. Remuneration and advancement are conditional on being able to demonstrate achievements under the philosophies. As a result, they are an important part of the appraisal process and the training plans that flow from them.

By linking everyone's training plans to the CII's qualifications framework, interest in professional qualifications at Lockton has tripled over the past two years. This connectivity, and the strong message coming from Lockton's signing of the Aldermanbury Declaration and achieving of Chartered Firm status, have been vital to reigniting interest in professional qualifications amongst experienced staff, ensuring that it is not just the preserve of new recruits.

Lockton then encourages its people to get out and engage with the wider public, through a variety of community activities, including fundraising, internships, reading buddies and volunteering.

Professional Bodies

Professional bodies like the CII are responsible for providing the education and ethical standards through which both individuals and firms can plan and develop their professionalism. They also give voice to how best the insurance sector should be serving the public interest. This role is pivotal to securing and maintaining the public's trust when buying insurance.

As well as providing the framework within which members can achieve and sustain their professionalism, professional bodies need to exercise their role in an open and engaging manner. This means taking the case for their members' professionalism out to audiences who matter. It is important that the case for professionalism is listened to, discussed and reaffirmed in a range of national and local forums. Two examples of how the CII has gone about this are discussed below: the Aldermanbury Declaration and Chartered Status for individuals and firms. Both illustrate these three key strands of what professional bodies should aim for:

Influencing the Debate

- keeping the professionalism debate fresh and relevant, both to members and the public
- ensuring that professionalism is recognised as the path through which trust is earned
- facilitating events at which members, firms and interested parties can exchange views on professionalism and trust.

Maintaining Quality

- maintaining a clear and relevant framework through which members can develop their professionalism
- maintaining a broad suite of structured material to test people's knowledge and understanding of professionalism at various stages of their careers, from introductory material for new entrants to challenging material for those in leadership positions
- provision of learning material open to all members so that they can easily access up-to-date and relevant information about various aspects of professionalism
- clear, consistent and visible enforcement of the professional standards of its members, in association with the Professional Standards Board.

Joined Up Thinking

- develop and drive forward cross sector initiatives that bring professional bodies, employers and employees together to explore and develop professionalism across the insurance sector
- be willing to work with others to achieve the adoption and utilisation of common standards connected with professionalism.

Case Study – Chartered Status

An individual who has achieved Chartered status has reached the top of their profession and gained qualifications that set them apart. To employers and colleagues alike, it demonstrates their personal commitment to delivering a professional service and all the attributes that go with that. Twenty thousand CII members around the world hold chartered status, allowing them to enter the title after their names. It is the gold standard for their profession.

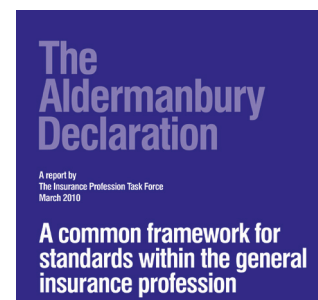
It is also a status that comes with particular responsibilities. You are expected to give special attention to upholding the status of the overall profession, not just your own corner of it. Your skill and experience will have equipped you with particular abilities when it comes to acting with integrity and in the public interest – others will look to you for guidance on this. In other words, by standing out from the crowd, you are also more in the limelight.

The CII has also allowed certain firms to be awarded Corporate Chartered status, in recognition of the work they are doing to encourage, support and coordinate the professionalism of those who work for them. Chartered firms are expected to uphold the same principles of qualifications, standards and public interest that individual Chartered members work to. So far, nearly 450 firms now hold Chartered status, from across the spectrum of insurers, brokers and financial planners.



Case Study – The Aldermanbury Declaration

The Aldermanbury Declaration added new energy to the drive for professionalism in insurance when it was published in March 2010 by a task force of senior individuals from across the insurance sector. For the first time, it challenged firms in the insurance sector to meet exacting targets for the standards of professionalism they work to. The response was very positive, with a great many insurers and insurance brokers signing up to meet its three year targets. It has helped focus firms' attention on how to push forward with their professionalism, along a structured path that encompasses customers, recruitment, careers, best practice and trust.



5. Discover Professionalism

Three things come together in this paper.

Firstly, that insurance is an established profession, offering new recruits a structured career path supported by qualifications, standards and the public interest.

Secondly, that insurance offers a worthwhile and rewarding career with variety and relationships at its heart. It touches on all aspects of today's society and plays an important role in tackling global big issues.

Thirdly, that a growing number of firms in the insurance sector are structuring their management of people around professionalism, embracing the need to put standards and the public interest alongside innovation and business acumen.

So why has this paper been written? Haven't these three things always stood together? Well, yes, they have, but not always obviously so. There is certainly a renewed emphasis on professionalism within the insurance sector, but there have always been solid foundations supporting it. People working in the sector have always thought of it as worthwhile and varied, but not always spread the message about it being so. And it is always engaged with big global issues, for after all, insurance is all about handling risk.

This paper is seeking to reflect that continuity and at the same time, see beyond it. There is a very good reason for wanting to see beyond it, illustrated by this paragraph from page 10

'The world is changing. The way we work is changing. The way we see things is changing. The skill and experience of insurance professionals ensures that the risks flowing from those changes are absorbed and spread so that society can continue to develop and prosper.'

The insurance sector needs more and better people, for risks are getting bigger and more complex. They keep on changing, while new ones evolve every year. And just as those risks can challenge the insurance sector, so the sector needs people who can rise to those challenges and show leadership in how they are handled. That means not just how they are handled from a technical perspective, but also how they are handled from the perspective of professional standards and the public interest.

So this paper is a challenge, from the business of risk, to its readers, the risk people of tomorrow, to see beyond the rather stale preconceptions of insurance and discover risk as a career.

For further information or to feed back your views, please contact: Daniel Pedley, at the Chartered Insurance Institute.

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To learn more about careers in risk visit: www.discoverrisk.co.uk

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Previous CII Papers in Professionalism

As part of our long term drive to promote greater levels of professionalism and ethical behaviour in insurance and financial services, we have created a series of papers looking at the way forward for a modern and progressive profession. The series explores various issues around raising standards and building trust in our sector. Individual topics include continuing professional development and ethical behaviour. All are available free on the CII website: www.cii.co.uk/papersinprofessionalism

1: Twenty-First Century Professionalism: In the first of this series, *Twenty-First Century Professionalism*, we give an overview of what professionalism means, how the professions have evolved, key challenges, and our vision for the future of professionalism. The paper identifies the key characteristics of the ‘new wave’ of professions, focusing outwards towards the public not just inwards to the profession itself.

2: Getting Professional about Ethics: *Getting professional about ethics* summarises a review of our approach to professional ethics as a part of its wider work on the concept of new wave professionalism. The review considered how to develop professional ethics across the industry and examines the full range of tools available to the CII to assist in this process, including training and education, member communications, structures, CPD and enforcement.

3: The New Benchmark for Financial Advice: This paper puts forward a suggested structure for the new Retail Distribution Review (RDR) benchmark qualification (QCF level 4) proposed by the FSA in November 2008. We set out a proposed model for the profession for debate, including a recommendation of standard study time and degree of difficulty that should be applied by all qualification providers.

4: Beyond Box Ticking: CPD and the 21st Century Professional: This looks at the role of Continuing Professional Development (CPD) in building and maintaining a high level of professionalism. Ongoing learning can and must go beyond box-ticking, and be part of a package of standards of knowledge and behaviour. *Beyond Box-Ticking* seeks to encourage a practical and constructive debate amongst members and other industry stakeholders, as well as those in other professions.

5: The Stamp of Quality? The importance of Being Chartered: *The Stamp of Quality?*, presents consumer and member research on the value of the Chartered brand. The key findings suggest that the public know and trust the Chartered mark more than any other professional designation. At a time when trust is a rare commodity, this makes Chartered more important and relevant than ever.

6: Building Trust Through Independent Standards: Our View on an Independent Professional Standards Board. This paper sets out our proposals for a Professional Standards Board which had been under consideration as part of the FSA’s Retail Distribution Review.

7: Everybody Wins: Pro Bono as a Hallmark of the Professional: Pro bono work undertaken in support of the community is becoming increasingly popular for many professions. *Everybody Wins: Pro Bono as a Hallmark of the Professional* argues that “giving something back” to society through either in-kind gratis work for the public or volunteering in support of a worthy cause is as much a part of professionalism as passing exams, attaining qualifications or doing CPD.

8: A New Approach to Financial Regulation: Embedding Professional standards in regulatory culture: Ahead of the government’s draft legislation reforming the UK’s financial regulatory landscape we set out the need for the proposals to address cultural issues, such as ethical behavior, and not simply a concentration on structural detail.

9: Professional education: Blending the best of academic and vocational: The paper argues the case for the distinctive and often unheralded system of professional education delivered by professional bodies in many sectors and why this is particularly appropriate in the present economic and educational climate.

10: Twenty First Century Professionalism Revisited: Returning to the theme of the first paper of the series, this paper updates the meaning of professionalism, the evolution of the professions, key challenges, and our vision for the future of professionalism, taking into account the debates that have taken place over the last three years.