

Ladies & Gentlemen

At the outset I wish to thank the President of the Sri Lanka Insurance Institute for inviting me as the Guest of Honor of the opening ceremony of the National Insurance Congress 2012. We, the IBSL consider this event as very important since it brings many professionals in the Insurance Industry together and provides a forum for them to share the knowledge and best practices.

When I was informed of this year's theme for the Congress – “Professionalism, the driving force of the insurance industry”, I was delighted, as it is something that, as the Regulator we are keen about and also want everyone to think about, in their daily business interactions.

In certain parts of the world, irrespective of the economic development, we have seen the calamities faced by insurance companies, simply due to the erosion of values and professionalism. It not only damaged the companies, but also the insurance industry at large as a professional, trustworthy place to work.

What exactly is “**Professionalism**” ? Does what you wear, your paper qualifications, titles, experience, the awards you have won, make you a professional ? In my opinion, Professionalism encompasses all of this, but it also covers much more.

Some important elements of being a true professional includes; Character, Attitudes, Excellence, Competency, Conduct, High Standards, Integrity and good management. In fact all these elements are interwoven with “Professions” and “Professionalism”.

One thing that we all need to remember is that Professionalism is something that has to be achieved. It doesn't come to you automatically.

As professionals in the Insurance Industry, there are a number of things that we need to adhere to in order to maintain our professionalism. I would like to highlight a few :

1. First and foremost, being **ethical**. One of the main reasons for the negative perception of the industry, amongst certain people, is the acts committed by some, which are unethical and questions their integrity. Simply put, you are in the business of making promises. Your customers place a great trust when they believe the promises you make and place their life, their property, their livelihoods, in your hand. Realize the gravity of this. Deliver those promises, don't break them.
2. Second, being **responsible and accountable**. Promise only what can be delivered. For the sake of achieving targets, individually or organizationally, you should not act irresponsibly towards your policyholders. Just as you would want to be a responsible parent to your child, responsible son, daughter to your parents or responsible husband to your wife, be responsible for the risks you accept of your customers.
3. Third, **equip yourself with the required knowledge and skills**. Especially, those who deal with customers must have the required qualifications to be engaged in the insurance industry. Then only they will be able to develop respect from others. The sales force is the primary contact point of customers and also the mirror, through which the external world judge our industry. Therefore, it is imperative that every company invest in the development of the sales force.

I need to emphasize here, that, not only the sales force, but also those in the support functions, need to be knowledgeable and professionals in their respective fields.

Most often, we see, the blue eyed boys or girls of the Boss rising to the top and not the most suitable, compelling highly skillful employees to leave. Companies will pay for such mistakes, may be not immediately, but definitely in the long-run.

Going through your Annual Reports, I notice that most companies claim that their People, their employees are their biggest asset. If that is the case, invest in them. Don't just make it a corporate catch-phrase. That investment will certainly pay dividends at the most crucial times. For example, insurance professionals who have acquired the specialized knowledge will have the necessary know-how to respond in the most rational manner, to chaotic market conditions and deliver the best solutions to the customers and also to the company. Non-professionals, however, will only panic, be myopic and make decisions that will hurt not only your valued customers but also damage your business, as they lack knowledge of the insurance mechanism and sometimes, common-sense.

4. Fourth and the final point, **be committed**. Go beyond your call of duty and serve your customers. Build a solid relationship with your customers. Focus on continuous improvement and deliver the best solutions to your customers.

I would also like to see people being committed to their jobs, to their organizations. Today, it has become a trend in our industry, for a person to move from one company to another, so frequently. I can understand if that happens due to the limited opportunities in an organization, otherwise he/she may not be seen as a true professional. As such, I do not think that such frequent movements contribute to the wellbeing of the industry at large. I feel this is something as an industry you need to think about. Take in to consideration the Generation Y in your workforce as well as those nearing retirement. The HR functions of companies has an important role to play in this aspect.

As members of this industry, you all know that insurance is integral to the economy and country. Without insurance, there would be no innovations, growth

or pursuing of dreams – whether it’s starting a business or purchasing a vehicle. Insurance, then, as a profession, is highly valued in society. Therefore, let us be committed to bringing professionalism to the industry, at all levels.

In summary :

If you want to grow as an individual, be a professional ;

If you want to grow as a company, be professional ;

If you want to grow as an industry, inculcate “professionalism” into your corporate philosophy and embrace it.

As the Regulator, the Insurance Board of Sri Lanka will continue to adopt strong vigilance, but we will also act as an enabler of industry growth and sustainability and not a disabler. We welcome suggestions from the industry to drive more professional standards, leading to improved market practices.

I would like to end my speech with an anonymous quote, which I feel is apt considering the stormy weather we have been experiencing during the past few days. **“Heavy rains remind us of challenges in life. Never ask for a lighter rain. Just pray for a better umbrella!”** – unquote

I wish you all and the Congress the very best.

Thank you.