



PSC Open Meeting

A PROFESSIONAL CAREER AT LLOYD'S

&

THE LMA LLOYD'S MARKET ACADEMY

Professional Standards Committee - 30 June 2010



TERRY HAYDAY

Welcome



A PROFESSIONAL CAREER AT LLOYD'S

Background and research

2000: FSA requirements for assessing, improving and maintaining competence were published in the FSA T&C Sourcebook.

2002: Lloyd's Training Centre commissioned research as part of the Franchise Vision: *"To attract, retain and develop the best people throughout the Franchise ... to establish and enforce minimum professional standards for key roles throughout the Franchise"*.



A PROFESSIONAL CAREER AT LLOYD'S

Competencies

An underlying characteristic of an individual that has been shown to cause or predict superior job performance.

It is what superior performers do more often, in more situations, with better results than average performers.

PCAL identifies such competencies at each stage of the career of an underwriter or claims professional.



A PROFESSIONAL CAREER AT LLOYD'S

Key components of performance

- Knowledge - Knowing what to do.
- Skills and experience - Being able to do it.
- Competencies - Being able to do it well.
- Values - Being able to do it the "XX AGENCY" way.



A PROFESSIONAL CAREER AT LLOYD'S

Fundamental issues and questions

- Examinations v Competencies.
- Specialist Knowledge v Management of Complex Insurances.
- Professionalism v Experience / Commercial Success.
- Professionalism and Competencies in the “War for Talent”.



A PROFESSIONAL CAREER AT LLOYD'S

Early developments

PCAL provides the answers.

The core research, in 2002, had the following objective:

"To identify core capabilities (skills, knowledge and attitudes) for underwriters and other senior roles in the market required to achieve the Franchise performance objectives and develop appropriate assessment and development solutions."



A PROFESSIONAL CAREER AT LLOYD'S

The story unfolds

In 2008, PSC was invited by the CII to assist with consultation on their GI Evolution Project ... especially the relevance of their proposals for professional qualifications at Lloyd's.

The PSC set up its Professional Qualifications Review (PQR) Sub-committee to identify the core skills, knowledge and attitudes required for success.



A PROFESSIONAL CAREER AT LLOYD'S

By the market for the market

Nominal Group Methodology was utilised - essentially a form of consultation with a cross section of underwriting and claims practitioners.

It is important to note that this was not some outside academic exercise, but market practitioners defining the core characteristics of success at Lloyd's.



A PROFESSIONAL CAREER AT LLOYD'S

What was considered?

Key result areas:

The main areas where job holders must deliver results.

Main activities:

The main activities that must be performed in these jobs.

Performance measures:

What does success look like?



A PROFESSIONAL CAREER AT LLOYD'S

What else was considered?

- **Baseline requirements:**

The qualities necessary for minimum, acceptable performance.

- **Qualities which predict top performance:**

The characteristics of superior performers.

- **Projection into the future:**

Major changes in the industry, the organisation and its environment that will affect jobs in the future.



A PROFESSIONAL CAREER AT LLOYD'S

Springboard

Three important and defining items of feedback:

1. There was not one set of universal competencies - the LMA's PSC and its PQR needed to show how the competencies varied as careers developed.
2. The notion of a "Professional Apprenticeship" needed to be resurrected.
3. More emphasis had to be paid as to how competencies lead to financial as well as professional success.



A PROFESSIONAL CAREER AT LLOYD'S

Purpose of PCAL

PCAL has developed descriptors of core competencies that can be used to facilitate recruitment, selection and development as well as providing guidance on assessing performance.

PCAL defines professional roles of people working in the Lloyd's Market, in terms of their career paths, and identifies the key attributes of: "What makes people successful".



A PROFESSIONAL CAREER AT LLOYD'S

Our aim

The underlying tenets of *A Professional Career at Lloyd's*, are:

- to see professional standards raised to higher levels.
- to produce consistently improved performance.
- to identify the drivers for such performance.
- to provide a means of attracting and retaining good quality recruits to the Lloyd's Market, who can be trained well, throughout their careers.



A PROFESSIONAL CAREER AT LLOYD'S

Benefits of PCAL

PCAL suggests ways to improve, materially, profits earned by the “best” underwriters, in comparison with their “average” colleagues.

PCAL provides detailed guidance and web-based tools to help managing agents achieve superior performance by:

- Clarifying the drivers of such performance.
- Identifying the gaps in professional development that need to be addressed to deliver improved commercial and personal performance.



A PROFESSIONAL CAREER AT LLOYD'S

Benefits of PCAL continued

Demonstrating that well-structured and high-quality training and development, based upon a professional apprenticeship, leading to well-managed careers, are all important factors in attracting, retaining and developing professionals at Lloyd's.

... supported by the attainment of relevant and high standard professional qualifications.



A PROFESSIONAL CAREER AT LLOYD'S

Focus on apprenticeship

The LMA's research concluded that a Professional Apprenticeship still stands as the most effective core method of learning and development, but it needs to evolve to meet the changing expectations of new recruits, increasingly complex challenges and competition for talent.



A PROFESSIONAL CAREER AT LLOYD'S

Road-testing

The website was tested thoroughly by selected or volunteer members of the PSC and LATG (Lloyd's Agents' Training Group) who provided valued additional insight and input ... many of whom are in the audience today.



TERRY HAYDAY

A PROFESSIONAL CAREER AT LLOYD'S

Website walk through

www.pcal.info



A PROFESSIONAL CAREER AT LLOYD'S

Iterative and developmental

The website encourages managing agents to experiment and develop their own ideas ... www.pcal.info will feature new tools and advice as the LMA learns from its Members and updates this site ... your contributions will be most welcome.

In other words ...



TERRY WEBB

A PROFESSIONAL CAREER AT LLOYD'S

It's your resource

PCAL has been developed for Lloyd's Managing Agents ... please experiment with it, adapt it and use it for your own benefit.



TERRY WEBB

A PROFESSIONAL CAREER AT LLOYD'S

PCAL has also become the intellectual
foundation for the:

LMA LLOYD'S MARKET ACADEMY



TERRY HAYDAY

LMA LLOYD'S MARKET ACADEMY



LLOYD'S MARKET
ACADEMY





LMA LLOYD'S MARKET ACADEMY

Genesis / Background / Objective

A natural extension of the PSC ... complementing the CII's General Insurance (GI) Evolution Framework ... with an overriding objective:

"To create a community of learning and education that will underpin the future commercial success of the Lloyd's Market."



LMA LLOYD'S MARKET ACADEMY

Vision

The PSC's vision is that the LMA Lloyd's Market Academy will:

- Be at the forefront of risk education.
- Raise and establish new standards of professionalism.
- Act as magnet for talent.
- Create and sustain a community of learning.



TERRY HAYDAY

LMA LLOYD'S MARKET ACADEMY

Pilot

A two-year “soft launch” pilot ... to gain traction ... to increase awareness ... to secure support from LMA Members ... to prove the concept.



LMA LLOYD'S MARKET ACADEMY

Four initial workstreams

- Energy
- Compliance
- Apprenticeship / SBP
- Claims



TERRY HAYDAY

LMA LLOYD'S MARKET ACADEMY

Energy

An H2 2010 Seminar leading to a fully accredited CII examination paper covering Offshore & Onshore Energy (and everything in between) developed by Charlotte Warr of Sarnia Training.



LMA LLOYD'S MARKET ACADEMY

Compliance

A stand-alone or CII accredited “qualification” for the Lloyd’s compliance community delivered by a major accounting firm ... beginning as a course ... working up to an examination if that’s what is wanted ... we will be surveying Managing Agency Compliance Officers.



LMA LLOYD'S MARKET ACADEMY

Apprenticeship

- For newly employed staff.
- Open to all disciplines: Underwriting, Claims, Finance, Risk Management, Actuarial, I.T. etc.
- High quality course based upon the content of the Lloyd's Syndicate Business Plan.
- A comprehensive introduction to Lloyd's and its business relationship with Managing Agents.



BEN BAKER

LMA LLOYD'S MARKET ACADEMY

Apprenticeship

The goal:

To ensure that participants obtain the necessary knowledge and skill to develop a successful career at Lloyd's.



BEN BAKER

LMA LLOYD'S MARKET ACADEMY

Apprenticeship

Becoming Professionally Qualified	→ → → →	ACII	→ → → →	FCII
LMALMA Apprenticeship	→	LMALMA Master Classes (e.g. Hurricanes) Other Programmes	→	LMALMA Seminars (e.g. Earthquakes) Other Programmes



TERRY HAYDAY

LMA LLOYD'S MARKET ACADEMY

Claims

An intensive programme to enhance business acumen and management competencies among claims practitioners and introduce new skills ... in conjunction with Ernst & Young.



LMA LLOYD'S MARKET ACADEMY

Four branded events, so far

- Earthquake Seminar – San Francisco – May 2010 ✓
- Dr. Chris Landsea: USA Hurricanes Master Class & Workshop – London – June 2010 ✓
- Wilson Elser: “Living With US Litigation” Seminar – New York – October 2010
- “Inspirational Leadership” Seminar – Saïd Business School, Oxford University – September 2011



LMA LLOYD'S MARKET ACADEMY

Branded events

- Experiential education – cornerstone of PSC's events to date.
- Networking.
- Building a community of learning ... developing and sharing knowledge.



LMA LLOYD'S MARKET ACADEMY

Budgets / Funding

To date, seedcorn finance has been provided by the LMA's "Training & Education Trust" (T&ET).



LMA LLOYD'S MARKET ACADEMY

Time lines / Success criteria

The Pilot runs until 31/12/2011. By then, the LMA will have a clear idea as to the sustainability of this initiative.

Success will be determined by the quality of the LMALMA's programmes and by gauging the support it will have received from you ... Underwriting Agents across the Lloyd's Market.



TERRY WEBB

PCAL / LMA LLOYD'S MARKET ACADEMY

Q&A

Slides will be posted on the LMA website: www.lmalloyds.com



TERRY WEBB

PCAL / LMA LLOYD'S MARKET ACADEMY

Close

Thank you for your time and interest.