

Insurance standards hit by graduates shortage

The shortage of insurance graduates must be tackled and an investment of £1.5 million by insurance companies is needed to improve the industry's professional standards, according to David N. Caird, incoming president of the Insurance Institute of Ireland.

Caird was speaking at the Annual National Conference 1999 of the Insurance Institute of Ireland on Friday in Cork.

"There is an urgent need for insurance graduates to meet industry employment demands. Graduates are currently being lost to the competition from the financial services industry, especially in the International Financial Services Centre (IFSC).

The Insurance Institute of Ireland is addressing the shortage by introducing a new insurance specialism in the BComm at UCD last year and is negotiating with the Dublin Institute of Technology to introduce a similar option to students. However, the industry as a whole must look at this issue as a priority.

"There are 12,000 people working in the Irish insurance industry yet only 3,600 of these



Incoming president David Caird, left, and outgoing president Bill Hannan at the Insurance Institute's annual conference in Cork

undergo professional competency training outside their own company. Insurance companies could double that number by investing only £1.5 million at a cost of £400 per head. We must introduce regulations regarding professionalism as a matter of urgency. Other industries do so; why don't we?" said Caird. He said that a self-enforced and volun-

tary system of regulation rather than compulsory regulation is preferable. If this does not take place soon, he added, the government will have to take action in ensuring that this takes place in the interests of consumers.

David N. Caird is the chief executive of Marsh, Ireland, formerly J&H Marsh and McLennan. In Ireland the

company employs 804 people with offices in Dublin, Belfast, Cork, Limerick and Galway. In 1994 he was elected a managing director of Marsh & McLennan Companies Inc. New York.

The Insurance Institute of Ireland is the leading professional and educational body for the insurance industry. It has 3,600 members.