

Insurance Institute of India
Presidential Address at 56th Annual Conference

Respected Chief Guest Mr S. V. Mony, Mr Saul Swartout, Council Members, Secretaries of Associated Institutes, Dr. Auguste Boissonnade who has come all the way from USA, academia from different parts of the country, other dignitaries, prize winners and everyone of you present here;

It is a great honour for me; to be with you all today and I extend a warm welcome to all of you to the 56th Annual conference of the Insurance Institute of India.

May I also welcome you to the capital of Kerala, Thiruvananthapuram where Lord *Padmanabha*, has showered scenic beauty and a lot of wealth! I hope the local institute is taking care of your visit to the *Sri Padmanabha Swamy* Temple, originally famous for the single stone statue of Lord *Padmanabha* reclining on the giant snake *Anantha*. I understand that there is a sightseeing tour to *Kovalam* and *Kanyakumari* as part of the itinerary.

May I express my gratitude to Mr S. V. Mony, a recognised insurance resource person for gracefully agreeing to be the Chief Guest for this function. The insurance community world over knows him for his various achievements. He has made presentations at many conferences across the world, taught insurance and risk management at Nanyang Technological University of Singapore, seconded at Commonwealth Secretariat at Geneva, chaired UNCTAD's Committee for Insurance, set up a captive insurance centre at Barbados in West Indies, was Regional Advisor to the Caribbean Community Secretariat, represented India at the Uruguay Rounds. But then, most of us sitting here today know him in his domestic roles as Chairman of New India Assurance Company, General Insurance Corporation of India, of recent CEO of AMP Sanmar,

Non-Executive Chairman of Cholamandalam MS General Insurance Company and as Secretary General of Life Insurance Council of India.

We are grateful to you, Sir, for accepting our invitation and being our Chief Guest and inaugurating the Annual Conference of the Institute.

The Insurance Institute of India traces its history back to 1955 when it was the Federation of Insurance Institutes, a time when the insurance industry in the country was much smaller than what it is today. Over the years, the Indian Insurance industry has changed and so has the Institute too. Changes in the industry called for corresponding changes in the Institute and in 1974, the Federation metamorphosed into a registered Society. In 1987, the Federation became Insurance Institute of India. Liberalization of the insurance industry in 2000 started a new age of public-private participation. Growing and changing with changing times, the Institute remains as the leading educational and examination service provider to the insurance industry in the country and in the SAARC Region for over 55 years. The industry today holds great respect for our Associate and Fellow Members and considers them professional for many of their core functions and duties.

But, then, to be at the top and to stay at the top is two different things. We need to constantly revise our standards of excellence and more important, consistently strive to achieve them for remaining at the top.

We are happy to inform you that there are different committees working on different facets of III's activities. Apart from the Administration Committee and Board of Education, Expert Committees are working on the Syllabus, Examination processes, programmes run by College of Insurance, Continuous Professional Development (CPD), and Audit etc. Fresh Guidelines have been framed for Presiding Officers for conducting Examinations, Authoring Course Material, and Setting Question Papers for Examinations (separately for objective and descriptive papers) and Evaluation of Answer books.

Curriculum: The curriculum has undergone changes with old study courses being retired and the addition of new contemporary study material. The way in which study courses were written has changed. Study courses at licentiate levels are in the Self-Learning Methodology (SIM) format wherein each chapter comes with an introduction and content outline and concludes with a recap of what one has learnt. Self-Assessment questions are also provided. Licentiate courses are now made available through E-learning as well and the response has been very good and around 800 students appeared online. Efforts are on to convert Associate courses also into E-learning.

Examination system: We are aware that changes in the examination system do create some heartburn in the transitional period and we have tried to accommodate the interests of our candidates to the extent possible. However, student needs are practically unlimited and many a time it is difficult to draw the thin line between fair and unfair or right or wrong. We are coming up with a Credit Point system, which will be introduced, in the next academic year and once operational, it will sort out many of the confusions and allow greater flexibility for our candidates.

To take care of the void caused by aging evaluators and to cater to the new-generation study courses a large number of evaluators have been added.

Online Examinations: The objective pattern of Licentiate examinations has fairly stabilised and we are happy to inform that Licentiate examinations were conducted parallel on the online mode as well. In the first round, online examinations were conducted on 6 days at 32 locations and around 800 candidates were examined.

Strategic collaborations: Our process of having strategic collaborations with other renowned international bodies and industry members is on. We have renewed our tie-ups with CII, LOMA-LIMRA and 'The Institutes' of USA the body that conducts AICPCU examinations. The

presence of Mr Saul Swartout, Executive Vice President of 'The Institutes' underscores the improved relationships between the two organisations that are physically on opposite sides of the globe. It may not be out of place to mention that on the occasion of the inauguration of III's new building last year, 'The Institutes' had sent a customised edition of all their books for III library – a touching expression of solidarity.

Continuous Professional Development: the relevant committees have approved III's Continuous Professional Development Programme, known as CPD, as a web-based programme which will be launched soon. A prototype has been developed for implementation.

College of Insurance: Courses run by the College of Insurance have become more structured and pricing of courses and hostel facilities has been revised. Four full time faculty members have been appointed of which three have already joined and one more would be joining shortly.

Health Insurance is an area where the industry needs more and more trained professionals to meet with the growing challenges of the changing times. The industry needs a lot of trained manpower for its underwriting and claims departments, third party administrators and even on the broking and agency front. Insurance Institute of India is aware of this need and are actively working to introduce a specialised course.

Risk Management is another area where there is a growing need for trained professionals. III has been paying attention to these areas and has come out with new course material and conducted a few programmes at the College.

However, looking to the actual needs of the industry, we have to be focussing our attention more on these areas in future. The institute needs to launch certification courses on these topics. There is need to establish a best practices advisory centre for Health Insurance.

I.I.I. needs to address the issue urgently.

Seminar: There are many who do not have the time or inclination for classroom sessions. There are some topics too that are better discussed out of classrooms for better impact. Seminars precisely address this need. Ernakulam, Calicut and Udaipur Insurance Institutes conducted three National Seminars. Local Seminars were organised by the respective local institutes at four locations – Coimbatore, Aligarh, Rajkot and Kolkata.

At the III level too, seminars are required to be conducted at National and International levels. Of course, some thought process has gone into this. It is expected that we will have a few seminars at III level shortly.

The Journal: The Journal, published by III, has been revamped and today, in addition to prize-winning essays it carries theme-based papers by researchers and subject experts. The Knowledge Management Centre of III has introduced a weekly electronic newsletter that is sent to all III members free of cost. The Newsletter gives a snapshot of the happenings in India and abroad relevant to insurance professionals on a weekly basis. A monthly E-magazine to circulate news specifically relevant to III and Local Institutes is also in the making.

Audit: The Audit Committee has ensured better control over the accounts of the Institute and put in place better accountability and responsibility within departments. Thanks to the Audit Committee, we have an Audit and Accounting Manual in place today.

Technology: We have to move forward hand in hand with the changing times. Social networking is nowadays a very powerful tool to reach out and communicate to the masses. III today has a page on Face book, a popular social networking site with a following of more than 900 people, many of whom actively discuss insurance and Institute related matters. Technology has to move hand in hand with changes and we are in the process of revamping our website and providing enhanced

technological support for the examination system to increase our internal efficiency.

Associated Institutes: I am happy to get feedback from at least some of the associated Institutes that the improvements initiated at III have helped them in managing their affairs better and with greater control. However, for Institutes who are interested in playing their respective roles in the areas where they operate, I would say, this is only the beginning. III wishes to position the associated institutes as centres of insurance learning and the default location from where anyone who deals with insurance academics should start. For this purpose, to position themselves as academic centres, there is a lot of hard work necessary. As you know, we would want all local institutes to teach candidates who appear for III examinations. We have started a concept of Accredited Learning Centres and we want associated institutes to open Accredited Learning Centres so that they occupy this space at the earliest and others do not fill up the voids. We want all Associated Institutes to conduct local, national or international seminars so that they are more visible to the industry and are recognised as academic institutions. III is committed to supporting every single academic venture of the associated institutes in every possible way, including providing financial assistance, sharing of resources etc.

The inactivity of, nearly 30 of the 91 associated institutes, of the Insurance Institute of India continues to be a cause of concern. This subject was discussed in the meetings held at Lucknow and Visakhapatnam. Though there have been some limited successes on this front, more is to be done. This will be taken up at the business session of the Council meeting tomorrow, on 25th September 2011.

Agents' Tests: I have to also announce that though III continues to be the Examining body for IRDA's Pre-licensing tests for Insurance Agents, we are no longer conducting examinations in the offline modes.

Financials: The Institute's financial performance during the year shows a decline in its revenue and surplus as compared to the previous year due to fall of income from Agents' tests. However, the funds and investments as on 31st March 2011 have increased as compared to 31st March 2010. With the new activities undertaken by the Institute, particularly in training and online examinations, it is hoped, that the situation will improve in 2011-12.

Regarding the Institute's long-term plans to purchase land / buildings in major cities to open regional centres, some efforts have been made, though we are yet to come to the stage of effecting the purchases.

Before I conclude my address let me thank the members on the council of the I.I.I, on different committees and sub-committees, examination paper setters, examiners, members of editorial board of the Journal of the Institute and others who are directly or indirectly assisting the I.I.I. in different ways. Without their support and guidance, it would not have been possible for me to discharge my responsibility. Let me acknowledge that Sri Sharad Shrivastva, the Secretary General of the Institute with the support of his team has been doing a marvellous job at the Institute, during the last two years. We will need your support too in our mission to fulfil the objectives of the Institute.

Let me thank the Chairperson, Secretary, office bearers and members of the Thiruvananthapuram Insurance Institute for the hard work put in by them in hosting this conference.

Thank you.