

Careers in **INSURANCE**



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BFIS

The Bermuda Foundation For Insurance Studies (BFIS) was founded in 1996 with the purpose of providing Bermuda's students with opportunities to gain the education necessary to enter the insurance industry through scholarships, summer internships mentoring and career guidance.

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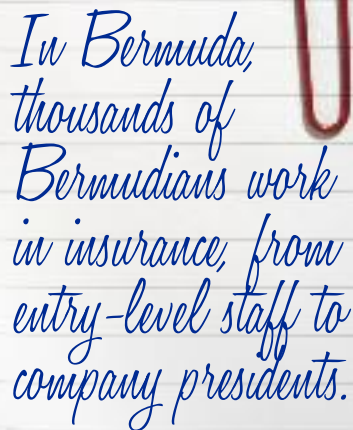
What does insurance have to do with you... and everyone else in Bermuda?

The insurance industry in Bermuda directly employs thousands of people, most of them Bermudians, ranging from clerical staff to a growing number of company presidents.

Insurance people eat in our restaurants, buy goods and services, have their hair cut by local barbers, and fly in and out on airplanes that would probably not be in service without them.

Jobs in insurance require the ability to research and analyse and then to make use of what's been learned to make a judgement about what risks the company will underwrite.

Although most of those in the industry do have insurance-specific degrees, such as Risk Management, Finance or Economics, you will find others with degrees in English, History or Philosophy. What they have demonstrated, in their discipline, is the ability to absorb and analyse information and communicate



In Bermuda, thousands of Bermudians work in insurance, from entry-level staff to company presidents.

their conclusions to others.

If you enjoy math problems, maybe you have the talent and skills needed to be an actuary or a catastrophe modeller. With a degree in Geography you might find yourself underwriting risks that are

related to earthquakes or bad weather. The work is engrossing and the pay is good. In Bermuda, if you have these skills or the ability to develop them, good jobs are available to you.

This publication, produced by the Bermuda Foundation For Insurance Studies, is designed to show you what insurance is all about, how Bermuda fits into the global insurance business and what are some of the careers that could be waiting for you in the Bermuda insurance industry. ❖



Insurance companies in Bermuda directly employ over 4,500 people and hold assets of \$500,000,000,000.



WHAT is INSURANCE?



Imagine a world without insurance. No shipping or travel, no construction, no factories or offices, no doctors or other professional consultants, no motor-ing - potentially even no home ownership. Without insurance there would be no risk taking... and without any risk taking, no businesses and no innovation. Insurance is what enables the modern world to get on with life.

Insurance is a method by which large groups of people spread the risks they have in common.

PERSONAL INSURANCE provides protection for the individual in different ways: car and bike insurance, home and household contents, travel insurance, that sort of thing.

COMPANY INSURANCE enables companies to meet their legal requirements and offer their staff protection.

Risk

Different insurance companies write different 'lines' of business, in which they often specialise. Life insurance, satellite coverage and marine insurance (which covers ships, passengers and ports), are examples of lines of business. Insurance companies accept the risks of

large numbers of people and bundle them together, to spread the risk.

We buy insurance so that we can rest easy at night, knowing that our lives and those of our loved ones are covered, or that we have taken every step possible to minimise our chances of not being able to pay for life's more costly moments, such as home repairs, doctor's bills, or our kids going to college.

A perfect example of the value of insurance was Hurricane Fabian a few years ago, which left our island home devastated. Those who lost roofs, cars or boats, or suffered other losses,

were relieved to have their Bermuda insurance companies respond quickly to pay for the financial losses the storm inflicted.

Sharing risk

When people buy insurance, they are sharing their risks. Modern insurance companies study statistics that show how often similar losses have happened





Property catastrophe reinsurance, the market that Bermuda now leads from the Island and its offices around the world, covers the most violent events: when the earth moves or the winds blow.

The economic cost of events such as 9/11 or Hurricane Katrina are staggering. Insured losses alone in each of these events cost more than it takes to run the Bermuda Government for 40 years. Bermuda companies now routinely pay as much as half of the losses from these life-shattering events, and they do so from a position of strength: they hold about half a trillion dollars (that's \$500,000,000,000 in assets as a bulwark against catastrophic events and other lines of business they have entered into.

A Promise

What insurance companies sell is a promise. In return for the premium you have paid, the company promises to be there when you need help, as they said they would, during the life of the contract. In many cases, that can be a long time. Insurance companies are built to be solid, because they are our defence against what life can throw at us.

Insurance allows its customers to insure their property, life or health. Someone - often a Bermuda company - insures the space shuttle, movie production sets, a pop star's voice or a dancer's legs. If something unexpected goes wrong, the insurance company will be there, as it promised.

It's The Law

Some lines of insurance are so important that the law demands we be covered. It is illegal to drive on Bermuda's roads without adequate insurance. It's also impossible. Without an insurance certificate, you cannot get

your vehicle licensed. You must have at least Third Party insurance, in case you hurt someone in an accident, because this protects you from having to pay their hospital bills - which could be for their whole lifetime.

Banks insist on it, too

When you borrow money for a house mortgage, the lender will insist that you have suitable insurance, so that if the house is damaged, the lender can recover the money it loaned you from the insurance company.

It's Protection

You can buy insurance voluntarily, to protect against such things as your jewelry being stolen or losing your expensive prescription glasses or dropping your camera overboard.

You can insure your boat in case it sinks. You can, of course, insure your own life so that your family will be able to carry on after you're gone. ❖

in the past - for example, bike accidents - to predict possible losses in the future. They know how likely a group of riders is to have accidents, and how much those accidents might cost the insurance company. So they can put a price on the risk, and charge premiums accordingly.

The insurance company uses the premiums paid by its customers to pay the claims of those who suffer losses.

The sharing of risks allows us to recover financially from damage. The greater the chance of a loss, the more money the insurance company will charge as premiums.

Re-Insurance

Insurance companies are merely the first line of defence against unexpected losses. Because their very being derives from the spreading of risk, insurance companies go one step further, and spread the risks they have taken on, in large batches, to reinsurance companies. Reinsurance is the bedrock on which society is built. Reinsurance is a line of business in which Bermuda has its greatest strength.

Property

Property insurance, as you'd expect, covers property, which can include insuring buildings and lives against the everyday things that might go wrong.



What people do is to take whatever is risky in their lives and transfer that risk to someone else.

This transaction is known as Insurance or Risk Transfer.

What types of insurance are there?

There are many different types of insurance and they fall into a number of different groups.

CAR AND BIKE INSURANCE is probably the most common form of insurance and may cover both claims against the driver or rider and loss of or damage to the vehicle itself.

FINANCIAL LOSS INSURANCE protects individuals and companies against various risks, e.g. a fire preventing a business from being able to serve its customers.

LIABILITY INSURANCE covers legal claims against an insured person or company. For example, a doctor may purchase insurance to cover the cost of any legal claims against him if he were to make a mistake in treating a patient.

HEALTH INSURANCE covers medical bills incurred because of sickness or accidents.

CREDIT INSURANCE pays some or all of a loan back when serious things happen to a borrower, like unemployment, disability, or death.

Casualty insurance insures against accidents, not necessarily tied to any specific piece of property.

TITLE INSURANCE provides a guarantee on research done on public records affecting title to property, for instance, usually in conjunction with a search done at the time of a real estate transaction, such as a sale, or a mortgage.



PROPERTY INSURANCE provides protection against risks such as fire, theft or weather damage to property. This includes specialised forms of insurance against risks such as fire, flood and earthquake.



POLITICAL RISK INSURANCE can be taken out by businesses with operations in countries in which there is a risk that revolution or other change in political conditions might result in a loss of business or assets.

TERRORISM INSURANCE primarily covers physical loss or damage and business interruption as a result of a terrorist event. Demand for this cover comes from all over the world following the events of 9/11.

LIFE INSURANCE provides benefits to the family of someone who dies.



The History of Insurance

Lloyds of London

By the **1600s**, the practice of insuring shipping cargo was widespread throughout the maritime nations of Europe. In **1688**, a man called Edward Lloyd opened a coffee house. His customers were mostly ship owners, captains and merchants, so he earned a reputation for trustworthy shipping news.

Lloyd's coffee house became recognised as the best place to obtain marine insurance. The men with money, the financiers, offered insurance contracts to ship owners for a payment, or premium. In time, these insurers came to be known as underwriters because they wrote their names under the line showing the amount they wished to insure.

By **1769**, this method of doing business was so successful that the underwriters formed themselves into a group they called Lloyd's of London, in memory of Edward Lloyd. Since that time, Lloyd's has become the largest marine insurance market in the world. Most of the big Bermuda insurance and reinsurance companies have meaningful parts of their businesses at Lloyd's, and in the broader London market. ❖



Today

Computer programmes have made the business of insuring other people's risk much more scientific. Inflation has made the cost of doing everything much more expensive. Therefore a relatively small number of giant companies accept peoples' risks and pool them together, to ensure that claims for losses can be met. Bermuda is home to dozens of these very large companies.

Risk Protection (Insurance) Through The Ages

Insurance has been a part of human society for thousands of years.

Insurance goes back at least as far as the **Egyptian** civilisation (around 3000 BC) when all citizens were required by law to put aside a certain amount of grain for the common good, in case there was a famine. The Egyptians 'shared their risk'.

Around **3000 BC**, Chinese merchants practiced a form of insurance by dividing up goods being sent by sea between several ships, to avoid the possibility of damage or loss from storms or pirates. If you sent three ships, maybe two would get through. The Chinese also developed health insurance for groups of people.

In **2000 BC**, Babylonian traders allowed their customers to pay for a policy that would guarantee against the loss of their goods by camel caravan across the desert. Caravans in those days faced the same kind of perils the transportation industry faces today, like robbery, bad weather and breakdowns.

Greeks & Romans

The **Greeks** and **Romans** had "benevolent societies", which cared for bereaved families and met their funeral expenses when a member of the society died. As commerce progressed, the need for insurance increased. The Phoenicians and Greeks, who developed sea trading, wanted insurance coverage for the goods their ships carried on the oceans.

The idea persisted and in Medieval times the Trades Guilds protected their members from loss by fire and shipwreck, paid ransoms to pirates, and provided respectable burials, as well as support for members and their families in times of sickness and poverty.

The Middle Ages

Insurance became much more sophisticated in **post-Renaissance Europe**, and specialised varieties developed. Early ship owners and explorers financed their expeditions with loans from investors. They took out insurance to cover the loans, in case their ships were sunk or captured by pirates. If that happened, and they were covered, they did not have to pay back the loans. It was extremely expensive to outfit a ship, but the potential profits were huge if the voyage proved successful. People shared the risk on the chance of sharing the profits too.

How Bermuda's insurance industry got started

Local Insurance Companies

The first Bermuda insurance company was formed in **1784**. The Bermuda Marine Assurance Company issued its first policy to cover a shipment of cargo from Bermuda to Philadelphia. As the trade between Bermuda and North America expanded, British insurance companies were encouraged to appoint and support general agents in Bermuda.

In **1903** a group of Bermudians formed Bermuda Fire and Marine Insurance Company to insure fire and marine risks within Bermuda.

Not until after the Second World War was the next insurance company started: Kitson Insurance in **1947**. Argus Insurance was set up in **1950** because of the need for medical insurance. Colonial Insurance Company was founded in **1958**, developing from The Gibbons Company car dealership. The company thought they might as well insure the cars they sold.

International Insurance Companies

International insurance companies really began in Bermuda in the **1960s**. This was a time when the overseas insurance industry controlled the terms, conditions and rates for the global insurance marketplace.

Captives

In the **early 1960s**, an American called Fred Reiss came up with a different model. He argued that companies knew their risks better than anyone, and they might do better to

insure their own activities than to have their risks pooled with those of every other company in the world. He suggested that large companies form insurance companies of their own, to provide coverage just for their own risks.

Large companies, such as Coca Cola and the oil companies, realised that if they formed their very own insurance company, they not only knew what their risks were, but also could keep and invest their own premiums (cash) in their own insurance company. If there were no claims during a particular year, the companies could keep any profits resulting, rather than having an outside insurance company keep them.

Reiss happened to meet a Bermudian businessman on a trip to England and between them, they worked out that an insurance company covering only the risks of its parent company and fellow subsidiaries of the

parent would do best in Bermuda's tax-free climate. It took time, but by the **mid-1960s**, the idea of self-insurance began to catch on in Bermuda.

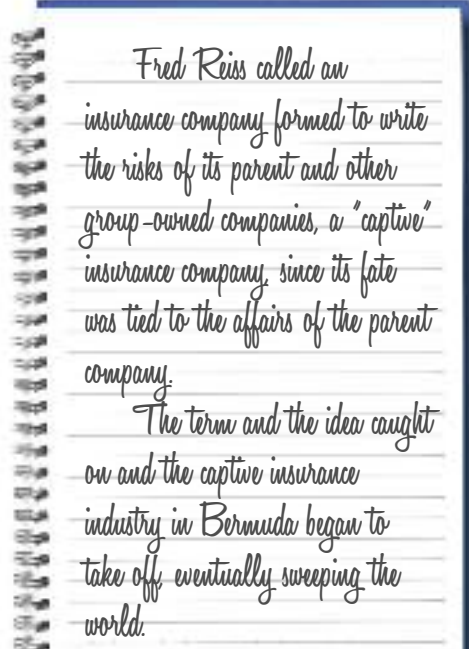
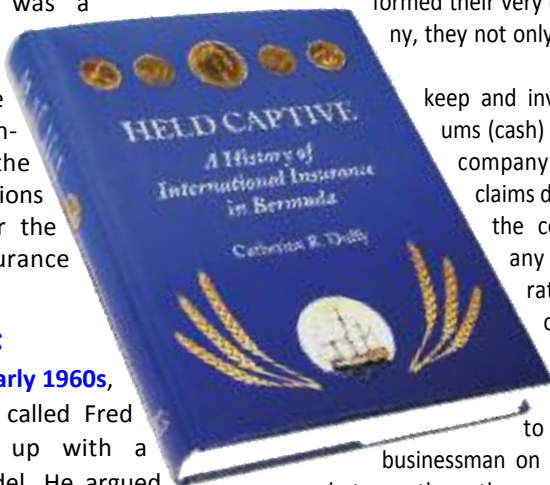
Today, there are more than 5,000 captive insurance companies around the globe. Bermuda has never given up the lead it established in captives in the 1960s, and is still home to about three of every 10 captives in the world.

Not every one of these captive companies has its own offices in Bermuda. To keep costs down, many of the smaller captive companies employ insurance managers in Bermuda to look after their interests for them, just as Bermuda banks look after their money. Captive management is a big part of Bermuda's international insurance landscape.

ACE and XL

In the **mid-1980s**, the ever-growing cost of lawsuits in the US pushed insurance rates so high that, in some areas, insurance became too expensive to be worth buying. A global crisis in certain lines of insurance meant that many large companies around the world could not obtain insurance for their projects. Without it, they could not do business.

It all began with 'captive' insurance companies.




Rules & Regulations

As the insurance industry started to grow, Bermudians realised that it needed to be regulated properly if the Island was to be taken seriously in international circles.

In **1978** Parliament passed the Insurance Act. Separately, the Insurance Advisory Committee (IAC) was established jointly by Government and the insurance industry in Bermuda, made up of people representing insurance companies, legal firms and Government regulatory agencies such as the Bermuda Monetary Authority (BMA). The IAC's job was to protect Bermuda's reputation by ensuring that the Island's international companies behaved properly.

More than **30 years later**, the committee still meets every week.

Over the years, its members have made sure that Bermuda's insurance rules and regulations continue to protect the Island by making it easy to start an international insurance company, but keep strict controls on its behaviour to guarantee that the companies would have more than enough money in reserve to deliver on the promises they have made to their customers.



In **1985**, a group of 34 large American companies decided to pool their risks to provide coverage to protect them against the risk of lawsuits. They all chipped in, collecting \$500 million and formed a company to insure their interests. That company was called ACE Ltd., and it had its offices (and still does) in Bermuda. Within a year, another company had been formed by a different group of international owners, to provide other lines of insurance coverage to themselves. This was XL.

ACE and XL were formed as association captives, that is, companies that insured not just their own risks, but a share of the risks of their partners. The insurance was captive to members of the association.

The Big Cats

In **August 1992**, Hurricane Andrew tore into Florida, causing what was then the largest financial loss from a single insured event in history. Some insurance companies went out of business as a result, and others felt that they could no longer underwrite risks such as hurricanes, where the potential financial losses can be enormous.



A global crisis ensued, with international commerce almost unable to function.

Problems Create Opportunities

Two insurance men, **Robert Clements** and **Robert Newhouse, Jr.**, who had been instrumental in forming ACE and XL during a similar crisis earlier, again came to the rescue, forming the first of what would be eight major insurance companies in Bermuda that would

**August 24, 1992,
Category 5 Hurricane Andrew
struck Florida with winds
of 165 mph.
Damages were \$26.5 billion
(\$41.1 billion today).**



provide coverage against catastrophes such as Hurricane Andrew.

These companies brought with them \$4 billion of new money to cover the risks they planned to write. The investors behind the idea were banks, other insurance companies (mostly American) and private equity firms that specialise in investing in new companies.

The eight companies were known collectively as the "big cats".

Their arrival changed the Bermuda insurance market, and changed Bermuda, almost overnight.



The Island's moment in the insurance sun, as it were, had begun.

Bermuda authorities knew that with the increasing amounts of insurance and reinsurance capital on the Island, there would need to be stronger rules for conducting business, so the IAC, the Government and the BMA continued to update the Bermuda laws and have done so ever since.

By 2000, the Bermuda insurance marketplace had built a reputation for

innovation. Companies in search of solutions to their problems came to Bermuda. Every major insurance company formed in the world between 1993 and 2000 was formed in Bermuda.

September 11, 2001

When the twin towers of the World Trade Center fell, the world stood still. The financial losses from the events of that day (9/11) would cut across the property and personal lines, since 3,000 people died in New York City that day. The global insurance industry froze up and the disruption of supply that accompanies such extraordinary events began.

Insured losses from 9/11 would eventually cost \$40 billion (of which Bermuda companies paid about a third). That meant that the world insurance industry would need to raise at least \$30 billion in new money to keep going.

In the three months following 9/11, the industry did just that. Existing Bermuda companies raised about \$9 billion in new money, to replenish what they would have to pay out. And a dozen new companies were formed - all in Bermuda, of course - with about \$10 bil-

lion in new capital. The world got back to normal, thanks to Bermuda's welcoming environment for insurance companies.

As well as Bermuda's business-friendly environment, the Island offers new companies the chance to open up very quickly. Providing the new capital is "clean" - i.e. can be shown to have come from entirely reputable sources - and the proposed company's management has a strong track record and a sensible business plan for the new company, it can be up and running in a week (although it often takes a little longer). In London, that process would take six months, and in the US, where every State has its own rules, longer still. Nowhere in the world has both Bermuda's reputation and its "speed to market".

Executives also love the fact that Hamilton is so compact that they can walk in safety to all of their meetings, and clients have the ability to conduct several underwriting meetings all in one day, without having to fly to another part of the world. Bermuda is truly the one-stop shopping destination for clients looking for quality and flexible insurance and reinsurance.

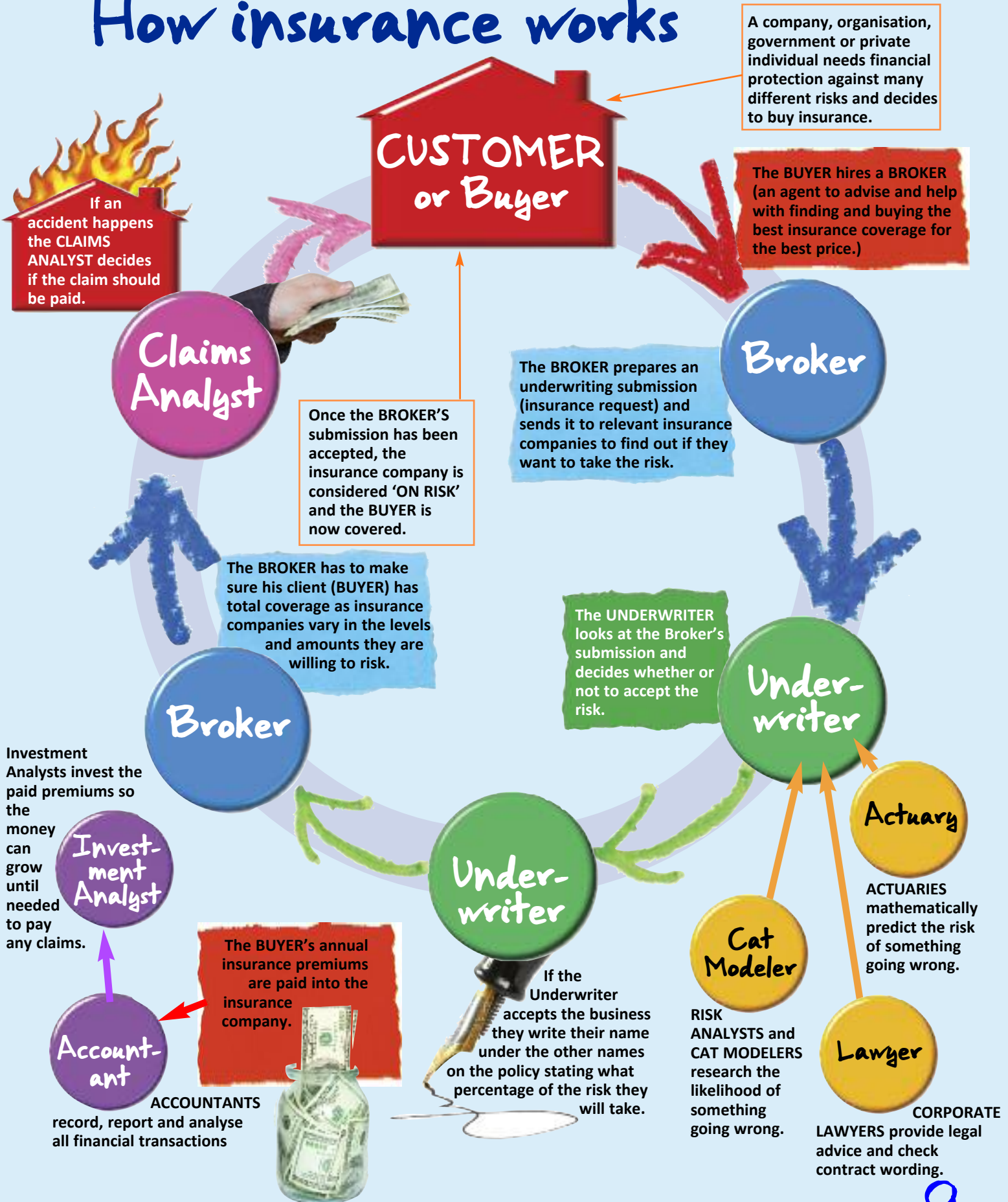
Class of 2005

Since 2001, other major disasters, such as Hurricane Katrina, have created the need for more capacity of available insurance funding in the global marketplace, and many new companies have been set up in Bermuda.

The fact that Bermuda has good infrastructure, stable government and a solid legal framework, plus it is physically positioned within easy reach of both the United States and Europe, makes it a good place to base a global company. ❖



How insurance works



Careers In Insurance

There are all sorts of jobs and careers in an insurance company. Some are focused on the business of insurance and others are necessary in order to run any successful company, such as human resources and marketing.

On the following pages we have picked out some of the insurance professions chosen by young Bermudian university graduates who were awarded BFIS scholarships.

Accounting	Business Analysis
Actuarial - pricing	Business Project Management
Actuarial - reserving	Clerical and Administrative
Aggregate Modelling	Corporate Communications and Marketing
Broking	Corporate Finance
Capital Modelling	Facilities Management
Catastrophe Modelling	Human Resources
Claims	Information Technology
Compliance	Investor Relations
Finance	Mergers and Acquisitions
Legal	Office Management
Software Development	
Risk Management	
Treasury	
Underwriting	



Jonathan Allen
Underwriting
Professional Lines



Anastasia Slater
Catastrophe Modeling
Risk Analytics

BROKING

DELIVERING PROFESSIONAL GUIDANCE AND ADVICE.



What is this job like?

Brokers are independent. The Buyer asks their brokers to compare what various insurance or reinsurance companies are offering, and advise them on the best way to meet their insurance needs. Brokers represent their clients. The primary function of brokers is to ensure that their clients find the best coverage at the best price.

Insurance brokers introduce someone who wants to buy insurance to suitable insurance companies. They are responsible for advising the Buyers on the most suitable product for their needs and arranging to put the coverage in place. Reinsurance brokers do the same thing for insurance companies that want to lay off part of their risks.

Brokers are important because there are hundreds of insurance companies, all with potentially different policy wordings, terms, conditions and exclusions, i.e. what the policy covers and does not cover. Brokers who are familiar with the workings of many insurance companies can advise their clients on the benefits of choosing one insurance company (or 'carrier') over another. Brokers save both client and insurer a lot of unnecessary work by streamlining the process, using their knowledge and experience to assess their clients' risk profiles and needs, and finding the appropriate policies for them.

Broking organisations vary enormously in size and in the services they offer. They may operate on a local basis and have a handful of staff, or they may be large, international concerns with thousands of employees and offices around the world. Bermuda is home to brokers of all sizes.

As a Broker you may also be involved in marketing and finding new clients. It is important to retain existing clients in the face of competition, so brokers meet with their clients regularly to ensure that their insurance needs are being met. Buyers' representatives often fly to Bermuda for these meetings, which is important for Bermuda as they spend money by staying in our hotels, eating out in our restaurants, hiring taxis, playing golf and chartering boats.

How do you get ready?

People join broking firms from a variety of different academic backgrounds. Most companies prefer degree holders for their trainee broker positions. However, a great deal of emphasis is placed on personal characteristics, especially the ability to communicate.

What training do you need?

Training in broking is essentially completed on the job, even for graduates. Staff learn by shadowing and observing their colleagues, gradually taking on more responsibility. Background knowledge is gained by taking professional qualifications like those offered by the Bermuda Insurance Institute.

What skills do you need?

A broker's communication skills are of paramount importance. Apart from the analysis they carry out on insurance companies, their ability to meet with and explain matters to clients is key. Brokers come into contact with a wide range of people, often including very senior staff. When brokers approach underwriters, they need confidence and shrewd negotiating skills. Writing skills are important, too; the detailed information in reports must be presented to underwriters and clients logically and clearly. The broker must, therefore, be able to assimilate information, which may be complex and specialised, and be able to communicate that information to an underwriter in order to provide clients with the most favourable terms. ❖



Carlie Peniston
Broking Assistant
Professional Services

Janelle Castle
Actuarial Analyst

UNDERWRITING

DECIDING WHICH RISKS TO TAKE.



What is this job like?

Underwriting is the cornerstone of insurance, because underwriters are the people who decide which risks to allow their company to take. They determine the terms, conditions and rates that will yield the best results for the client and the insurance company. Working closely with risk and actuarial analysts, underwriters are responsible for: assessing the extent of a given risk and deciding its acceptability for insurance coverage; deciding whether any special terms or conditions should be applied to the risk; and deciding the appropriate premium (i.e. how much to charge) for the risk.

Underwriters work out what the premium will be so that it is enough to cover the insurance company if the client suffers a loss, and leave a little profit at the end of the year. At the same time, underwriters have to be aware of insurance market conditions so that they do not charge too much or too little for the risk. They work out the premium the client has to pay, and then calculate how much of that risk the insurance company should keep and how much should be passed off to reinsurers.

The underwriter's job is to reduce the risk the company takes by offering suitable premiums to companies that represent a higher risk and that are therefore more likely to make a claim. Underwriters calculate the risk, based on statistics, and decide what the premiums should be.

How do you get ready?

Most employers expect new recruits to have a degree, but there is no school or degree subject that fully equips job applicants for an underwriting career.

Degrees in Insurance, Risk Management, Finance, Maths or Economics do provide new entrants with a good knowledge base, but other degrees, for example in Accounting, Business Studies, Law, Science or Engineering can be helpful, as can an understanding of, and some interest in, biology, physiology and medical matters for underwriting life insurance.

Even degrees in English or History can be beneficial as a large part of underwriting is the ability to research and analyse information in order to make informed decisions.

Stephen Jones
Underwriting
Professional Lines

What training do you need?

As an entry-level trainee in an underwriting department you will learn on the job, from more experienced colleagues, to understand the information presented about a given risk, the contracts submission process, the principles involved in the assessment of a risk, and how to use the appropriate computer technology and reference sources.

You will also be expected to continue your education by studying for professional designation exams at the Bermuda Insurance Institute.

What skills do you need?

Communication skills, both verbal and written, are essential, in addition to computer skills. The ability to negotiate is critical. Characteristics such as curiosity, discernment, perception, discretion and the ability to work carefully with attention to detail are also essential.

Most importantly, candidates need to be decisive and capable of justifying their decisions with logical and sound argument.

For the more unusual risks for which there are no well-established statistical data or precedents, the ability to think creatively and to solve problems is very important. ❖

Andrew Osborne
Underwriting
Excess Liability

Kimberley Lewis
Underwriting
Professional Lines



ACTUARIAL SCIENCE

MAKING FINANCIAL SENSE OF THE FUTURE



What is this job like?

Actuaries are experts in assessing the probable financial impact of tomorrow's uncertain events. They enable financial decisions to be made with more confidence by analysing the past, modelling the future on computers, assessing the risks involved, and communicating what the results of all these activities mean in financial terms.

Actuaries provide businesses with valuable information with which to make secure, long-term strategic decisions, as well as providing practical solutions to problems involving the likely effects of uncertain events. They provide the framework within which the calculation of premiums and other values can be made.

Most actuarial students will have passed at least one or two of the exams before graduating from college. Employers typically help students throughout the exam process both by providing time off work to study and paying exam fees.

What skills do you need?

Actuaries must have a strong mathematical background, with in-depth knowledge of calculus, statistics and probability. You must be self-motivated and able to learn on your own. You should enjoy solving complex problems. Proficiency in computer skills, including spreadsheets, databases and programming is also essential.

An actuary often must explain difficult concepts to those without actuarial or mathematical training. Therefore, excellent written and oral communication skills are key, as well as the ability to work as part of a team. A strong business background in areas such as finance, accounting and economics is also necessary. ❖

How do you get ready?

Anyone thinking of becoming an actuary must be a highly competent mathematician. Most entrants have degrees in Mathematics, Statistics or Economics, but it is also not uncommon to find actuaries who began their careers in Science or Engineering.

What training do you need?

To qualify as an actuary, you have to continue to study after you have graduated from university, in order to pass a series of examinations set by one of the actuarial bodies that specialises in the particular area of insurance in which you choose to concentrate. Until you have passed those exams you are not considered to be an actuary.

In Bermuda most actuaries are members of the Casualty Actuarial Society, the Society of Actuaries, or the Institute of Actuaries.



Brian Davis
Actuarial Analyst



Denise Gordon
Underwriting
Structured Risk

Shareka Tucker
Cat Model Analyst
Actuarial

James Botelho
Actuary

INVESTMENT ANALYST

LAYING THE FOUNDATIONS FOR WEALTH.



What is this job like?

Insurance premiums are paid in advance, usually for a year. This makes sure that the insurance companies can accumulate large amounts of money for when it may be needed to meet claims as the year unfolds. Insurance companies invest these premiums getting the best returns they can, based on the findings and advice of their investment analysts.

The job of the investment analyst at an insurance company is very important, because in order to have the money to pay out any claims and make a profit, the company must invest the insurance premiums their clients have paid wisely.

The analyst scrutinises companies' financial statements, compares the results and performance of individual companies with those of others in the industry, and assesses financial strength.. The investment analyst also weighs external influences on particular companies and business sectors. These include economic factors such as interest rates, consumer confidence, currency movements and specifics such as the price of raw materials and labour.

Having researched and made an assessment, the analyst must convey the information to his or her fund managers. Analysts must, therefore, be able to prepare written reports about a company, its management, its operations, its profitability and its financial position.

Spreadsheets, charts and tables form an integral part of any investment report and the analyst must, therefore, be fully competent in using computer technology.

How do you get ready?

An entry-level member of an insurance company's finance department would most likely be a graduate with an Economics, Finance or Accounting degree.

Of greatest importance is an interest in the stock market, a well-founded confidence and belief in one's own abilities, and being able to work both individually and as part of a team.

What training do you need?

In today's economy, more employers recommend certification, which can enhance professional standing. A CFA (Certified Financial Analyst) designation can be obtained following a number of years' work experience. A successful Financial Analyst can advance and take on responsibility for larger portfolios, and may become a fund manager.

What skills do you need?

Investment analysts need to understand statistics, have a knowledge of economics and be able to make immediate share price assessments, often on the basis of scant information.

They must be capable of writing informative and easily understandable reports. They must also be able to meet and converse with senior management in a range of industries.

A questioning or sceptical frame of mind, rather than one which accepts and conforms, is another useful and increasingly necessary attribute. ❖



Raquel Pitcher
Risk Analysing
Analytics



Leticia Alleyne
Underwriting
Excess Liability



Jahvon Washington
Underwriting
Property

ACCOUNTANT

KEEPING TRACK OF THE MONEY



What is this job like?

Accountants and auditors keep track of a company's money. The company's managers and people outside the company read their reports. Managers look at the accountants' reports to see how well their companies are doing. Governments use the reports to tell how much tax a company should pay. Some people read them to decide if they want to do business with the company. Others use them to decide if they want to lend money to the company or not.

Most accountants have a specialty.

Public Accountants work for public accounting companies. They do accounting, auditing, tax, and consulting work. Some have their own businesses. They do many different kinds of accounting for people outside the company.

Management Accountants keep track of the money spent and made by the companies for which they work.

Internal Auditors make sure that a company's accounting records are right. They check the records to see that no one in the company is stealing. They also check to see that no one in the company is wasting the company's money.

How do you get ready?

Most accountants have a college degree in accounting. Public Accountants have to take a special test as well, resulting in a certification.

People who want to be accountants should be good at math, and have good analytical skills. They also should be able to write well, so that they can tell others about their findings.

What training do you need?

Becoming a Chartered Accountant (CA) requires a university degree in specified courses; 30 months of practical employment experience with an Institute-approved training office; completion of the Institute's Professional Program; and passing the Uniform Evaluation - one of the most demanding professional examinations in the world.

The profession of Chartered Accountancy in Bermuda is governed by the Institute of Chartered Accountants of Bermuda. For more information visit their website - www.icab.bm.

What skills do you need?

Ethical behaviour and professionalism, and personal attributes such as accountability, adaptability to change and the ability to self manage and take initiative. Professional skills such as communication, problem solving and management are very important too.

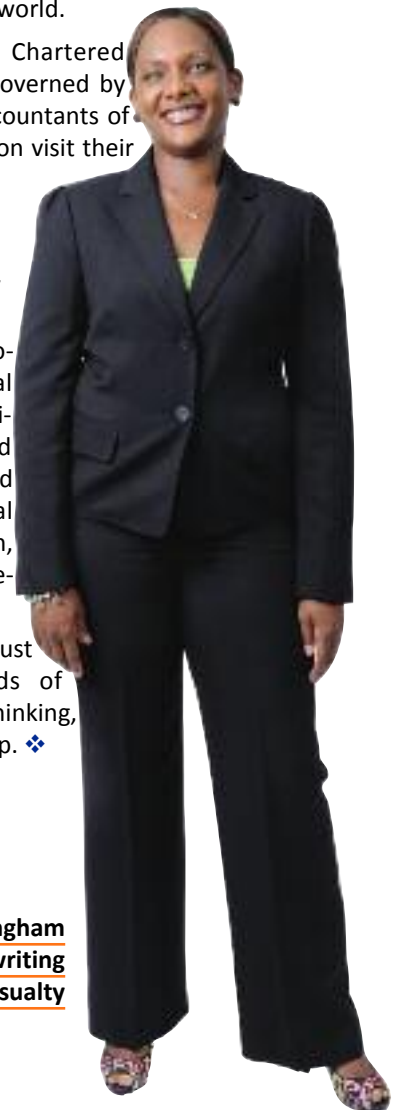
Chartered Accountants must meet the highest standards of financial expertise, strategic thinking, business insight and leadership. ❖



Stacy Oughton
Account Analyst
Operations

Becky DaPonte
Underwriting
Excess Casualty

Jaquita Ingham
Underwriting
General Casualty



CLAIMS ANALYST

HELPING TO PUT THINGS RIGHT.



What is this job like?

When people buy insurance, they are buying the right to make a claim in the event of something going wrong. They hope never to have to make a claim, but realise that it is sensible to get financial protection against a potential loss.

There are, of course, many sorts of claims relating to different types of insurance. For example, motorists may report that their vehicle has been broken into, stolen or involved in an accident. Or, a householder might suffer a burglary, a breakage or a fire. Someone on holiday might fall ill or lose a camera or piece of jewellery. A businessman might find his premises have been vandalised or damaged in a storm. Or there may be multiple claims from a disaster such as Hurricane Katrina or 9/11.

Whatever the claim may be, there is a need for tact and sensitivity, so employers look for and hire staff with excellent communication skills.

Unfortunately, the insurance industry suffers from a high incidence of fraud from false claims. Many claims are either the result of criminal activity (such as arson or a staged motor accident) or are exaggerated (such as when a householder claims more for stolen items than they are really worth). This means that claims departments often have to make decisions about the validity of a claim. Again, inter-personal skills must be to the fore in such circumstances.

Much of the work of a modern claims handler involves activating the services that will provide immediate assistance and relief to the policyholder.

For example, motor insurers often maintain networks of approved repairers who will handle any post-accident work needed on a vehicle. Household insurers will recommend tradesmen to help with broken windows and locks. Coordinating this activity is an essential part of the claims handler's responsibilities.



Roneika Hall
Senior Claims Analyst

How do you get ready?

People join the insurance industry from a range of academic backgrounds. Most companies prefer to hire graduates with a degree for entry-level positions. However with claims, heavy emphasis is placed on personal characteristics, especially the ability to communicate. It is, therefore, possible for a school leaver to join a company and, with time and experience, progress to a post with considerable responsibility.

What training do you need?

Training programmes vary from company to company. Some prefer to expose recruits to every facet of the business before a decision is made about career speciality. Others look to develop specialists with a particular area of expertise and thus allocate suitable individuals to the claims department from the start.

Background knowledge is gained by taking professional qualifications, such as those offered by the Bermuda Insurance Institute. Many employers grant study time and provide help with tuition fees and the cost of learning materials.

What skills do you need?

An ability to manage time well and multi-task can take you a long way. A strong work ethic is key as well as dedication to the company. A positive attitude is also important, and you have to keep an open mind about learning new things and accepting challenges. ❖



Anson Aguiar
Underwriting
Excess
Casualty

NEXT STEPS



If you think a career in insurance would interest you and you'd like more information, just call or email the BFIS office and we'll see what we can do to help you. Maybe you'd like to work-shadow, just talk to someone in the field that interests you or make contact with someone who has been to the college you are thinking about applying to.

After you've gained your undergraduate degree and have found an entry-level job in the insurance industry, you can start taking professional designation courses at the Bermuda Insurance Institute.

Contact BFIS for help in finding summer jobs, and after you graduate.

Keep an open mind when looking for a college - go outside your comfort zone.

Search for scholarships through www.bermudascholarships.com and apply online.

Study a subject you enjoy.

Colleges, scholarship providers and employers are keen to see that you are well-rounded.

COURSE **COLLEGE** **FUNDING** **WORK** **INTERESTS**

BFIS website: www.bfis.bm

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Bermuda Insurance Institute:

www.bii.bm

Bermuda Insurance Market:

www.bermuda-insurance.org

See young Bermudian insurance professionals talk about their careers and why they enjoy their jobs in the video "Set to Succeed". Contact the BFIS office to get the DVD.



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