

LLOYD'S

Market leaders resolve that 2008 should be the year of process change

4 January 2008

Senior figures from across the Lloyd's market have put market and process reform at the top of their wish list for the year ahead.

While the insurance and reinsurance cycle look set to soften with rates falling in many classes, underwriters and brokers believe that the next 12 months has to signal an increase in the pace of process reform.

When asked what they would like to see as a New Year's resolution for the market, all said that changes in the way it transacts business had to be the paramount concern for all.

Chief Executive of the Lloyd's Market Association, David Gittings, said the market's resolution needed to encompass a range of issues.

"There are a number of areas where we need to focus our attention in 2008," he said. "In the year ahead the market needs to look at increasing the flow of profitable business and address the challenge of increasing the uptake of electronic placement.

"We need to see the market beginning to implement a longer term claims strategy, and improving premium payment performance."

Dennis Mahoney, Chairman of Lloyd's broker Aon's Global Risk Division, Aon Global – and for many years a leading figure in the London market's drive for process reform – said pride and process were the watchwords for 2008.

"Let's make a New Year's resolution to be proud of our industry and work harder collectively to ensure its prosperity to the benefit of all our clients through technology," he said. "Yes I am a director of ACORD, yes I do support RI3K, and yes I do support E-reinsure."

His views were echoed by Roger Townsend, Executive Director Insurance Sector at Xchanging, which operates the market's back office processing functions.

"We should make 2008 the year that we change the market paradigm by finally removing paper from the back office," he added. "We must build on the excellent progress made in 2007 by completing the implementation and fine-tuning of ECF and A&S, and make substantial headway with the receipt and automated processing of ACORD Technical Accounts into Xchanging.