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License to Learn: Adopting Consistent Standards in the Adjusting Industry

By Jeffrey T. Bowman

Recently, www.catadjuster.org featured a post on the topic of training and apprenticeships that included the following statement: "I strongly believe that receiving an adjuster's license DOES NOT make somebody an adjuster and a license should...not entitle an inexperienced person to do claims. I believe it [is]...a license to learn!"

Well said! The adjusting industry—particularly the independents—has long seen adjusters come and go as catastrophes and economies ebb and flow. But for those who make a career out of adjusting, gaining a license should be the start of their education, not the end.

The key words, unfortunately, are "should be." Claims adjusting is not seen by all as a profession, with the standards, training, certifications and oversight that word implies, as consistently as it should be, particularly in the United States. However, moves are afoot to establish a stronger sense of professionalism, with universally recognized certifications and standards, within the insurance industry.

- In March, the U.K.'s Chartered Insurance Institute (CII) unveiled the Aldermanbury Declaration, which aims to raise standards in the general insurance sector through a commitment to a common industry framework for professional standards. The declaration is based on work undertaken by its Insurance Profession Task Force, a body comprising senior individuals from across the industry.
- In the United States, a similar insurance industry group is working to establish a new Property Technical Certification (PTC), which seeks to fill a gap in certification standards for property claim adjusters and make it easier to determine the expertise of adjusters or contractor estimators who oversee a claim.

Of course, a number of fine organizations throughout the world, including the CII and the Chartered Property Casualty Underwriters (CPCU) Society, already are dedicated to the ongoing education of claims professionals, and the initials that come with those designations are highly respected and sought-after. So how can any shortfall in training exist?

The problem isn't an absence of available certifications; the problem is whether insurers and independent adjusting

organizations support them as a group. With organizations joining together to develop and promote efforts like the Aldermanbury Declaration and PTC, their successful adoption throughout the industry is far more likely. In fact, insurers and independent adjusters are also doing their part out of the public eye to support greater professionalism. Some, for example, are defining career paths for adjusters that tie promotions and financial rewards to gaining specific certifications.

Such a focus on professionalism not only helps the adjuster, but also the organizations that employ them—and the clients they serve. Those benefits, as the Aldermanbury Declaration points out, include better outcomes, improved standards of risk management, a more trusted profession, and the ability to attract talented people to rewarding careers.

That last point is of particular interest. While consistent training and standards mean more consistent claims adjusting, they also may help solve a festering problem: how to market adjusting to graduates or career-switchers, particularly as baby boom adjusters retire. Greater professionalism and clear pathways that map out how people can attain their ambitions show that claims management can be a worthwhile career.

Promoting professionalism will cost money, and we all know that cutting budgets for education is tempting in a bad economy. But the cost of not addressing this industry-wide issue today is failure tomorrow; we will not be able to assure our clients that we have the capabilities they will need going forward. If we make the commitment to greater professionalism, adjusters will benefit, insurers will benefit and clients will benefit—a true win for all.

Jeffrey T. Bowman is president and CEO of Crawford & Company, the world's largest independent provider of claims management solutions with \$970 million in revenues and 8,900 employees based in 63 countries. He also serves on the Executive Committee and Board of Trustees of the American Institute for CPCU/Insurance Institute of America. He can be reached at info@us.crawco.com.



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