



## **CLUBS SHOULD INVEST MORE IN THEIR STAFF & LESS IN THE STOCKMARKET**

The clubs' product is, on the face of it identical... it has to be as all share the same reinsurance protection. As a consequence, individual clubs often struggle to find their own USP. An analogy might be 'cola'... they are all selling it, but it's a question of brand choice for the consumer... taste v price! The clubs who thrive today are those who combine both financial strength and deliver to their members higher service levels and value for money.

The industry over the last decade or more has seen a large number of senior managers, claims handlers and specialists, who were intellectual and/or commercial heavyweights retiring from the industry. Through a lifelong career in the industry they were

focused on delivering high quality service, with the long established goal of delighting the shipowner members they served, and only referring to the club rule book to pay difficult claims and not avoid them! It is essential in our view, that current club managements invest in a new generation of highly motivated and talented individuals to support this dying ethos... which has been at the core of clubs' success since their creation. Many owners have raised frustration of some club staff adopting too legalistic or inflexible approaches to claims handling or underwriting. One of the largest expenses for the clubs after claims is 'people'. During times of shipping and financial crisis and with reduced claims activity (as we have experienced for a decade), clubs have apparently felt the need to cut back on investing in staff, the very people who offer a real chance of reducing expensive claims settlements through skilful and knowledgeable claims handling. Now is the time for club managements to

refocus their energies on fast tracking their talented staff, adopting intensive training, recognising the importance of maintaining staff continuity to ensure consistent high quality service delivery, and avoiding an environment where staff feel they have to move on to new job roles, either within the managers 'stable' of diversified businesses or leaving the industry entirely to progress their careers elsewhere.

**“It is essential, in our view, that current club managers invest and encourage a new generation of highly motivated and talented individuals to support this dying ethos”**