

INSURANCE
POLICING

The **Insurance Advisory** Nigeria: The Compendium for 2023



Ekerete Ola Gam-Ikon *MNIM*

CEO, Finterate Projects, Nigeria

OUTLINE

1.	Acronyms	2
2.	Introduction	3
3.	January 2023 Insurance Advisory: Focus on Value, Ask for Value	4
4.	February 2023 Insurance Advisory: Vote to be Insured and Secured	5
5.	March 2023 Insurance Advisory: Rely on What You Know	7
6.	April 2023 Insurance Advisory: Poverty vs Insurance (Key to Wealth)	8
7.	May 2023 Insurance Advisory: Your Job can be Your Insurance If...	9
8.	June 2023 Insurance Advisory: Are You Sure You Are Insurable?	10
9.	July 2023 Insurance Advisory: The Demand for Credit Guarantee	12
10.	August 2023 Insurance Advisory: Be Someone's Assurance	14
11.	September 2023 Insurance Advisory: Data Still Needed for Better Insurance Experiences	15
12.	October 2023 Insurance Advisory: It's Time to Insure our Talents	16
13.	November 2023 Insurance Advisory: Can Everybody Be Insured?	18
14.	December 2023 Insurance Advisory: Create Your Insurance Experiences	20
15.	Insurance Advisory Extras	22
	a. <i>Fuel Subsidy Removal: Insurance Advisory to All Stakeholders</i>	24
	b. <i>Special Insurance Advisory for Our –Elects</i>	25
	c. <i>#FathersDay2023: Special Insurance Advisory for Fathers</i>	26
	d. <i>#WorldYouthDay2023: Special Insurance Advisory for Our Youths</i>	27
16.	The Author: About My Insurance Experiences	28

ACRONYMS

ARIAN	Association of Registered Insurance Agents of Nigeria
CIIN	Chartered Insurance Institute of Nigeria
ILAN	Institute of Loss Adjusters of Nigeria
NAICOM	National Insurance Commission
NCRIB	Nigerian Council of Registered Insurance Brokers
NHIA	National Health Insurance Authority
NIA	Nigerian Insurers Association
NSITF	National Social Insurance Trust Fund
PENCOM :	National Pensions Commission

INTRODUCTION

The insurance awareness gap in Nigeria has to be closed and one of the ways of doing this is by sharing useful information and data about the insurance industry with the public through the active use of social media regularly.

As an active professional with decades of experience in the insurance industry in Nigeria, I decided to embark on this advocacy for better insurance experiences for all stakeholders, and one of the barriers to access insurance I noticed, is the poor knowledge of Nigerians about insurance and the value it had been adding to keep our economy resilient over the years.

This series of Insurance Advisory published monthly since June 2022 has made inestimable impression on the insuring public and led to the suggestion by some of the recipients that they should be published in the form that would enable more Nigerians have access to them in future.

Therefore, this compendium of Insurance Advisory for every month from January to December 2023 has been collated as a reference document to provide policyholders with the knowledge they need to engage their insurers and brokers towards having better insurance experiences.

It is with great thanks to God Almighty, my Wife and Children, my Brothers and other relatives, my industry colleagues, my friends and well wishers for the love they have shown me towards making this part of my legacy for the insurance industry in Nigeria that I present this to the insuring public.

Let me especially thank the leadership and working teams at Proshare for accepting to work with me on this publication.

I believe the insurance industry in Nigeria can work for all of us, if we believe!

Enjoy going through them and make sure to note your questions and comments, which can be sent to me directly via olagamola@gmail.com or through Proshare.

THE AUTHOR

Ekerete is an Administrator, a Business Thinker and Customer Advocate.

Currently involved in knowledge sharing and advisory services on Insurance, Risk Management, Strategy and Management, his working experience has been largely in the insurance industry at management and leadership levels with leading insurance brands where he participated and led actions in product development, marketing and business development, relationship management, mergers and acquisitions, strategy planning and execution, change management and customer experience management.

Ekerete readily gives credit to these great organizations, and valuable individuals he met there, for his career and personal advancement: Leadway Assurance Company Limited, Mutual Benefits Assurance Plc, Central Insurance Company Limited, First Chartered Insurance Company, United Trust Assurance Company, Cornerstone Insurance Plc, Capital Express Assurance Plc, Guinea Insurance Plc, J. Akin George Insurance Brokers, Northlink Insurance Brokers, Mark George Consultants, USAID, Egwafin Microfinance Bank Limited and Aajimatics Inc.

Besides insurance, Ekerete has continued to be involved in consulting projects and capacity building assignments for banks (commercial, development, microfinance and mortgage), cooperative societies, renewable energy developers, agricultural sector actors and Micro, Small and Medium Enterprises (MSMEs) and government agencies.

He is the Founding CEO of Finterate Projects, a business-fitness consultancy firm and Co-Founder, Smart Coach Global Nigeria Limited, a progressive community of seasoned business coaches and brave entrepreneurs.

A 1988 graduate of Economics from the University of Calabar, Full Member of Nigerian Institute of Management (Chartered) since 2003, Certified Process Professional (2010) and Associate of Risk Managers Society of Nigeria (2019), Ekerete will like to be remembered for his spirited contribution to the development of new thinking and innovative solutions for better appreciation of insurance in Nigeria.

You can connect with him on Facebook, Instagram, LinkedIn and Twitter today.

JANUARY 2023 INSURANCE ADVISORY: FOCUS ON VALUE, ASK FOR VALUE.

There is value for every party involved in the process of insurance, whether as an operator (agent, broker, insurer, loss adjuster, microinsurer, reinsurer, takaful and web aggregator) or a regulator (NAICOM) or trade association (ARIAN, ILAN, NCRIB, NIA and PRAN) or a policyholder (customer)!

Interestingly, no one amongst these stakeholders really shows or tells one the value for the other. YOU HAVE TO FIND IT FOR YOURSELF.

Let me illustrate using the Third Party (Private) Motor Insurance, which premium rates have been increased with effect from today from N5,000 to N15,000 per year, and advise thus:

ADVICE 1: As a customer (policyholder) that decides to purchase genuine insurance coverage for your vehicle, you need any of these operators (agents, brokers, insurers) to assist you. Even if you got your Third Party Motor Insurance Certificate from the Vehicle Licensing Office, you need their assistance to confirm the veracity of the certificate.

Do not pay N15,000 and walk away without ascertaining that you are covered. Ask and understand the value you should get in the event of an accident.

ADVICE 2: As an operator, take time to inform the policyholder that the insurer is the first party, he/she is the second party and the other vehicle or property on the road is the third party.

Inform him/her that after paying for the insurance, he/she will be given the policy document (contract), which states the benefits of the policy as "Limit of Liability", a term understood only by insurance actors. You should clearly inform the policyholder that when he/she ACCIDENTALLY hits the other vehicle or property, he/she need not go into any argument or scuffle or allow the third party to provoke him/her. A simple apology to the victim, followed by a call to you (the operator) will activate the access to N3,000,000 (Third Party Property Damage) available to fix the damages to the other vehicle or property based on the N15,000 you had received.

Also, he/she should be informed that the cost of any bodily injuries to any occupant of the other vehicle or property will be equally taken care of by you (the insurer).

ADVICE 3: As a regulator, you will probably only hear about the sour relationship between the policyholder and the insurer, when the latter fails to settle and pay the claims after 90 days as stated in the Insurance Act 2003. You should have zero-tolerance for such delay and speedily determine the case within 14 days, and may be, henceforth, the insurer should pay a fine for allowing the case drag for that long.

ADVICE 4: As a friend or well wisher of the policyholder or insurance operators and regulators, share this advisory to help someone focus better on the value obtainable from the insurance process.

Policyholders find value when they are relieved of the burden that follows accidents while operators have the premium (insurer) and commission (agents and brokers), then the regulator gets the levies from the operators at year end.

Insurance creates VALUE for everyone. Let's make it work for us!

FEBRUARY 2023 INSURANCE ADVISORY: VOTE TO BE INSURED AND SECURED

In a very ordinary sense and simple context, insurance can be defined as "the assurance that you will not lose".

If and when you are insured, you are not shielded from accidents or attacks but assured of relief to live again. It is abnormal for you, when insured, not to receive any relief when you experience losses or damages. If and when you are knocked down, insurance will put you back on your feet!

As you go voting for our next President, this month, let your mind be insured and understand that, like insurance, your vote should bring Nigeria back on her feet; thus our advices:

ADVICE 1: Start with insuring yourself against the losses or damages that could result from electioneering activities. Personal Accident Insurance, which covers you against accidents 24/7 anywhere within Nigeria is recommended for all at this time;

ADVICE 2: A group you belong today may choose to take Group Personal Accident Insurance and/or Group Life Assurance to make it more accessible and inclusive for members. Some prefer going with the group;

ADVICE 3: Knowing that accidents during elections could lead to deaths, disabilities and injuries, which the insurance coverages will relief you from, ensure you choose the best insurers for these types of insurance;

ADVICE 4: Before you vote to have any or both of the insurance coverages recommended, be sure to know the specific Unit designated by INEC for you to vote. Your Insurer may be interested in that info;

ADVICE 5: Remember to purchase the insurance for the period of 12 months knowing that accidents and their effects still occur after the elections.

Decide today who you will vote and join other Nigerians to ensure an insured and secured future for all of us.

#MoreInsurance

#MoreVotes

#MoreNigerianness

MARCH 2023 INSURANCE ADVISORY: RELY ON WHAT YOU KNOW

Sometimes, you get to know about things, persons and places you did not have in mind, and they become what you rely on to make the difference when required.

Getting to know involves searching about a subject matter and finding results, then preparing for the opportunity to deploy your knowledge.

You can only rely on what you know from your findings. Researchers understand this.

When INSURANCE appears in your space, be advised thus:

ADVICE 1: Behave like a Researcher and seek to find useful information on the types of insurance suitable for you, your family, your career, your business and your lifestyle.

ADVICE 2: Behave like a Project Manager and work with what you can defend. Let your choice of the insurance company that has what you need, be a renowned one that would not want to be associated with abandoned projects. Unpaid claims are like uncompleted projects!

ADVICE 3: Behave like a Justice of the Supreme Court and deliver judgement that will be relevant tomorrow. Make your insurance experiences available and accessible to others. Share your wonderful stories when you are required to, knowing that someone needs to rely on what he/she knows.

ADVICE 4: Behave like a Techie who understands what happens at the back end. Get an insider, preferably an insurance broker to work with, so that when the unexpected happens and you have to make claims, the technical jargons won't overwhelm you. Smallholder Farmers, take note.

Our world, not just the insurance ecosystem, need more reliable people but we must renew our pledge, like insurance policies, annually, to know more.

The more you know, the more reliable you become!

#MoreKnowledge

#MoreInsurance

#MoreReliability

APRIL 2023 INSURANCE ADVISORY: POVERTY VS INSURANCE (KEY TO WEALTH). TAKE A STAND!

The World has been in an Economic War, presumably, you're already aware of this.

On one side are those who want you to become poor and vulnerable; their weapon is POVERTY. On the other side are those who want you to be wealthy because you're blessed with the knowledge and resources; their weapon is INSURANCE.

Both poverty and insurance are global systems created by people, who thrive daily to make us BELIEVE in them. So many organizations and individuals have made fortunes from promoting the fight against poverty, created by their relationships.

Unfortunately, those trying to deploy insurance as a panacea to poverty, either do not understand that they are in a war or are equally just there to make some fortunes. Incredible?

ADVICE 1: Knowing that you're in an unending economic war, take a stand that you will not be pauperized. No matter how hard it is, try to buy health insurance, so that when you're sick, you can receive treatment without having to spend from your pocket. Falling ill and unable to pay for your treatment is the fastest route to poverty.

ADVICE 2: Take some time to observe how we hustle daily, notwithstanding our different life stages, most are fighting to escape poverty not to create wealth. Choose to be different!

Insure your life so your loved ones will become wealthy after you're gone;

Insure the evidence of your achievements from hustling (houses, cars, investments and relationships), so that when the unexpected happens, you can still be wealthy and not on your way to poverty.

ADVICE 3: Insurance is more than a product but a system you can use to have a better and more secured life. Your insurers may be your friends and family when something goes wrong.

The formal insurance is better because sometimes friends and family may be down and unable to support when the unexpected happens. Select an insurance company after deep conversations with independent knowledgeable industry players, often insurance brokers and consultants.

Our World has been changing quite fast and shockingly, we can no longer afford to wait to be told, educated and enlightened. Let's move it!

MAY 2023 INSURANCE ADVISORY: YOUR JOB CAN BE YOUR INSURANCE IF...

Happy Workers Day it is! Let's talk about working, not just for today, but more importantly for tomorrow, which we know often bears pleasant surprises and painful shocks.

Working or having a job certainly still puts anyone in a position to bounce back when something goes wrong. That's your insurance right there!

You can get support from colleagues, or even loan from finance companies, because they will believe you are creditworthy. Again, the sense of insurance!

Not done, the demand for (payment of) increase in minimum wage will further ensure that workers have their jobs as insurance against anything that might go wrong anytime.

The question therefore is: "Would the positioning with money ever be enough to handle the unexpected events of accidents, illnesses, floods, fires and other incidents?"

Oh no, we don't set money aside to address misfortunes but to invest in increasing our net worth. Something best done by insurance, unknown to many!

ADVICE 1: Secure Your Retirement.

When your job serves as your insurance, not only because of the monies you are paid but also due to the statutory obligations your organisation must meet regarding insurance (Group Life Assurance, Health Insurance, etc), you need to deliberately consider life and living beyond your working years.

You should retire and feel more insured, rather than be exposed to the vagaries of the society.

ADVICE 2: Continue with Health Insurance in Retirement.

Medical check-up to stay healthy is most needed during retirement and your Health Insurance can ease the costs of medicare. Some retirees have good knowledge of the benefits and enjoy it whilst others keep spending out of their pockets when illnesses arise.

C'mon, give yourself a treat!

ADVICE 3: Maintain an Active and Effective Relationship with Your Insurance Broker/Advisor.

You need all the peace of mind you can get during retirement, so to enjoy better insurance experience, your Insurance Broker/Advisor should be part of your inner circle.

You will be sure to be updated on insurance industry matters, and the status of your insurer.

ADVICE 4: Share Your Disposition towards Insurance with Younger Ones.

So often, we find out that insurance experiences are rarely amongst discussions older people have with

their children, mentees and proteges. The lack of such knowledge puts the younger ones in harm's way, financially, when they have to learn it themselves.

They also go through having their jobs as their insurance until retirement knocks and they are faced with the same dilemma we see our retirees live with.

Insurance is Self-help and, something to work on deliberately during one's active working years and beyond.

It protects your wealth and there is no argument that health is wealth.

Enjoy a #HappyMay2023 like no month!

Please share your questions and comments.

JUNE 2023 INSURANCE ADVISORY: ARE YOU SURE YOU ARE INSURABLE?

Put differently, the question is: Can you pass the test to enjoy the value of insurance?

To be insured, whether as an Individual or Enterprise, insurance companies undertake an assessment of you, then agree on the appropriate cover and advise on the premium you should pay, usually for a year.

Fulfilling these steps will ensure you are covered and entitled to enjoy the benefits of insurance. If you fail to fulfil all these steps, you may be considered uninsurable.

ADVICE 1: Know and Understand What's Required.

Insurance can be quite strange and confusing to the uninsured at first encounter. How can one salesperson walk into your office and tell you that if you pay him/her a disposable amount monthly, he/she promises that his/her company will pay you a certain lump sum in 5, 10 or 15 years depending on your agreements?

Or how dare any Executive promise that his/her Insurance company will repair or replace your N50m/N100m vehicle if involved in an accident or stolen, for such relatively low charge (premium) as N2.5m/N5m?

Or just how does anyone talk about insuring your factory complex valued at N1.5b against Fire and Special Perils for a paltry premium of N4.5m?

How does insurance work? How do these relatively small premiums enable insurance companies to fulfil their promises to clients?

So, let's keep it very simple. Insurance companies have to generate premiums from many more transactions like those mentioned above, maintain reserves for claims settlement and invest in short and medium term financial instruments to earn income and honour their obligations. This process requires disciplined management backed by strong reinsurance arrangements.

Hopefully, this has helped you understand a bit of how insurance works to ensure individuals and entrepreneurs like you are relieved when the unexpected happens;

ADVICE 2: Meet and Discuss with an Insurance Professional.

The person can be an Insurance Agent, Insurance Broker or Insurance Consultant whom you will seek to ascertain, from the beginning, to be more interested in providing answers to your questions than selling his/her products.

Once you are convinced about the person's intention, knowledge and capacity, appoint him/her as your preferred Insurance Agent (representing an Insurance Company) or Insurance Broker and Consultant (representing many insurance companies).

Their services are provided to you at no cost because they earn their commissions from the premiums you and others pay to the insurance companies. They are your helpers to becoming insurable.

We see where clients especially individuals try to outsmart their Agents or Brokers to deal directly with the insurance companies to earn the commissions, albeit an act that the law does not permit, causing concerns about whether such characters are insurable;

ADVICE 3: Be prepared to be Insured.

Remember, Utmost Good Faith is one of the Principles of Insurance, which requires parties (the Insurer and you, through your Insurance Broker/Consultant) to provide all necessary information about one another and what's to be insured even when not requested for.

Sometimes, for example, individuals and organizations seek to avoid providing receipts of purchase for the items they want to insure so that they can state values which will reduce the premium payable on the insurance of their assets.

The effects of such actions are often revealed during the process of claims settlement, if one occurs, and it is always regrettable for the person who decided to reduce the values of the assets.

In this regard, I am always quick to bring back the story of the Petrol Station worth N200m, which the Owner, against professional advice, (under)insured for N150m because he claimed not to have money to pay the premium based on the true value of the station.

When the station was razed by fire eight months later, he was forced to go shopping for funds from his bankers, while his Insurers had settled the claims fully and promptly.

To be honest, from my experience, the courage to acquire a multi-million Naira asset is the same required to pay the right premium for the insurance policy you need.

Today, some of us are reducing the value of our highly priced vehicles when we need to do Comprehensive Motor Insurance because the regulatory rate of five percent was announced from January this year.

Even the insurance companies that do this (under-insurance) knowingly due to competition have not put you in a good position if it becomes necessary to make a claim. Just imagine a vehicle of N50m insured for N40m due to the difference of N500,000!!

It is important to understand why some people are insured and enjoying peace of mind while some are still asking and discussing how insurance works.

If I have helped to resolve some insurance issues for you with this advisory, let me hear from you.

JULY 2023 INSURANCE ADVISORY: THE DEMAND FOR CREDIT GUARANTEE

Everything seems to have its season or turn and when it beckons or comes, the players or operators better know how to make the best use of it!

Bonds, Sureties and Guarantees are not the exclusive product offerings of insurance companies but there was a season that theirs were preferred over those issued by banks and other financial institutions. However, if you can even get an insurance company to give you one today, trust must have exchanged places with years of relationship between the parties.

That season is upon us again when business transactions need credit guarantees!

ADVICE 1: When You Need Bond or Guarantee, Do Not Assume you will Easily Get It From Any Insurance Company.

Some insurance companies have been barred, either by the Regulator or their Boards, from transacting the business of Bonds and Guarantees while others decided, based on bad claims experiences, to discontinue. Conduct your due diligence before you commit.

ADVICE 2: In An Environment Where Trust Needs To Improve, Guarantees Serve As Instruments Of Trustworthiness.

If you can get the guarantee from an insurance company, you are better off because it will be cheaper and all the funds involved will be released to you. Seek to enjoy the advantage.

ADVICE 3: African Continental Free Trade Area (AfCFTA) Will Require More Enterprises To Rely On Credit Guarantees.

Our insurance regulator and companies will have to reconsider their stance in view of the huge opportunities AfCFTA presents for Trade Credit Guarantees. Nigeria cannot afford to play catch-up in this regard.

ADVICE 4: Credit Guarantees Can Be Provided By One Party So Long As It Is Acceptable To The Other Party.

As insurance companies dilly-dally on the opportunities for credit guarantees, different entities are exploring the space and offering enterprises such services based on trust and fulfilment of set conditions. Explore these opportunities too.

Overall, in the seasons ahead, credit guarantees will determine the growth rate of trade and finance across Africa, and the insurance sector has to be ready to play its role in these seasons.

As an entrepreneur seeking to take advantage of AfCFTA, get your Issuer of Credit Guarantees ready to go.

Welcome to July 2023! It is the beginning of the new seasons we are meant to connect and enjoy.

AUGUST 2023 INSURANCE ADVISORY: BE SOMEONE'S ASSURANCE

So often, persons with availability, accessibility, affordability and authority want to assure others that their promises can be kept, their words can be believed and their actions can be trusted.

However, due to the exigencies of life, accidents, incidents and emergencies, their intentions and plans are often short-lived and unfulfilled.

We will always need to be assured when things are uncertain or seem unsure.

ADVICE 1: Be sensitive and look out for someone who needs assurance. Sometimes, we just greet ourselves and do not even see our faces or wait some seconds to guess our feelings. It makes the difference!

ADVICE 2: Let your spirit guide your next line of action. For most people, cash is the assurance while there might be someone who just needs a hug to be assured. When you need to, respond as your spirit directs please.

ADVICE 3: Make it the culture of your organization to assure persons or group of persons. You do not have to be an insurance company to assure those that need assurance. It's always exciting to read the stories of commitments over many years.

ADVICE 4: Find an individual or organization to assure today. Be an active player in our world where assurances save lives, create and protect wealth and enables peaceful living.

Assurance is the environment we desire, together we can create it by heeding to these advices.

Welcome to August, someone's month of assurance.

SEPTEMBER 2023 INSURANCE ADVISORY: DATA STILL NEEDED FOR BETTER INSURANCE EXPERIENCES

Undoubtedly, data has become the game changer for our lives, businesses and sectors in measuring the performances of economies. Simple datagraphics say more than words can describe in this digital era when 24hrs in a day seems inadequate for the execution of our plans despite AI.

Recently, the National Insurance Commission (NAICOM) announced that as at December 31, 2022 the number of insurance policyholders was 3,000,000 based on the population of 200,000,000! Analysts have since been asking for more breakdown of the data:

- *Number of Corporate Policyholders;*
- *Number of Individual Policyholders;*
- *Number of Male Policyholders;*
- *Number of Female Policyholders;*
- *Number of Young People with Insurance;*
- *Number of Life Policyholders;*
- *Number of Vehicles Insured; and more*

Certainly, the data available can be provided in the format mentioned above as industry stakeholders begin to understand that sharing data is very valuable in shaping insurance experiences.

Starting from you (the policyholder), the data about you and your assets need to be accurate and reliable. It's common for policyholders to manage the value (sum assured) of their assets including vehicles and houses cos they want to reduce the premium payable but end up distorting the data especially when claims occur.

Sometimes, between the policyholders and their Insurance Brokers, the data also gets distorted in attempts to manage the premium payable forgetting the impact of their actions on the claims payments later. Imagine reducing the value of one's vehicle from N80m to N65m today to accommodate certain premium payable only to find out at the time of claims that the value of the vehicle is N90m; and the insurance policy could only pay N60m assuming it was theft claim. When the policyholder tells the story, many people will blame the insurance company for offering to pay claims far below the market price of the vehicle without having the full story.

This has been happening a lot since January when the premium rates for Motor Insurance Comprehensive (Private) had been set at 5 percent of the value of the vehicle by the regulator, NAICOM. Thus our advices for September 2023 are as follows >>>

ADVICE 1: Don't Use Today To Cheat Tomorrow and Yourself. Especially with insurance, it is easy to assume that you can get what you want regarding terms of purchase but remember that when claims occur, you might be at the losing end.

Indeed, know that the Insurance Executive encouraging you to cheat yourself today might be in a different insurance company tomorrow.

ADVICE 2: Attend Events On Insurance And Learn More About The Type of Insurance You Need Or Your Insurers. Most times, we hear policyholders churning out names of insurance companies, which could be General Insurers when they actually need Life Assurers. Ignorance is bad but ignoring where and when you could get knowledge is worse. Ask for data when you don't need it to prepare/equip yourself for the right season.

ADVICE 3: Share Data with Your Policyholders and Would-be Policyholders. It is easier and cheaper to share information and data today, so insurers should actively do it as their customers need them. Data on your type of products, distribution channels and benefits are more attractive to your customers than your company and executives.

You and your customers probably visit the same sources for data, be mindful and sensitive.

ADVICE 4: Update Your Data Regularly. It is important especially during renewals that the data on your insurance policy is up to date. Do not let it be a disadvantage. Correct data is necessary to have at all times as you never know when claims might knock.

Information is power when used, advices are valuable when heeded; let the data in your records be useable and appreciated.

There are two insurance enlightenment and education events holding later this month for the benefit of the insuring public, please be a part of it.

To stay aware of the insurance companies operating in Nigeria, the attached Schedule has been reposted for you.

OCTOBER 2023 INSURANCE ADVISORY: IT'S TIME TO INSURE OUR TALENTS

When you see a Talent, you know and while the discussions may go on about the value of the Talent, it is important and necessary to secure him/her.

Sometimes, we take it for granted that the Talent will always be there until the unexpected happens and we realize the life of our beloved Talent is threatened. Everything changes as we begin to discuss how to ensure our Talent is saved.

Nigeria is blessed with Talents, enormously so, in different areas of life but we do not protect and secure them with the unseen value that insurance offers!

We have lost Talents to ill-health, accidents, joblessness and deaths that could have been avoided if insurance was in place.

ADVICE 1: Keep Records of our Talents.

The immediate question on our minds would be: Who will do it? I don't have the answer, but will be happy to work with anyone or organization that considers this worthwhile.

Having records of our Talents based on standard KYC structure and biometrics will be necessary to ensure we're dealing with the right persons.

ADVICE 2: Provide Insurance Coverages for our Talents.

The risks we seek to manage are deaths, accidents, thefts, damages and incapacitation, so appropriate insurance coverages will be provided. This will ensure that our Talents and their families live better knowing that their future have been secured.

The insurers providing the coverages will be closely monitored to ensure they are financially strong year in year out and capable of meeting their obligations to our Talents.

ADVICE 3: Create a Talents Insurance Pool.

With proper records of our Talents and insurance coverages provided, it would be ideal to have a Talent Insurance Pool for ease of managing them and their privileges.

A pool managed professionally and with a sense of sustainability would ensure a healthy and secured lifestyle for our Talents.

ADVICE 4: Ensure an Effective Monitoring and Evaluation Process is in Place.

Importantly, we would require and put in place, different teams of professionals to monitor and evaluate our Talents from time to time.

Their needs in terms of healthcare, education, mobility, communication, finance and technology will be taken care of.

ADVICE 5: Ensure Regular Updates are posted about our Talents.

News about our Talents should not come as a surprise. If he/she is ill or involved in an accident, we should know immediately and take measures to assist him/her recover with minimal distractions.

And if our Talents are winning laurels, we should also be immediately informed and celebrate him/her excellently.

Sometimes, we just don't celebrate our Talents enough. We should always celebrate them for the world to know.

Talents build nations, so nations should recognize and reward them and their families.

Nigeria might be No. 1 in the world when it comes to the collection of Talents using many parameters of measurement.

Let's keep records of our Talents and protect them with appropriate insurance coverages from known and emerging risks to ensure they remain increasingly valuable from generation to generation.

As always, your comments and questions are welcomed.

NOVEMBER 2023 INSURANCE ADVISORY: **CAN EVERYBODY BE INSURED?**

At a presentation about 7 years ago, a participant asked "Is insurance for everybody?" The Presenter, a senior management executive of a leading insurance company, simply said "Yes, everybody can be insured!"

"Excuse me, it's only those who can pay premium that can be insured", observed an Insurance Professional in attendance.

This story, like many others, has created confusion for those who seek to know and understand insurance. Thus, to simplify it and ensure we make insurance work for us, I will go with the response from the Presenter "Yes, everybody can be insured!"

Here are my advices according to different age groups:

ADVICE 1: Ages 0 - 10

Children can be insured individually or as part of a group/family against accidents and incidents that may result in deaths or disabilities or need for medical care. Parents sometimes incept and pay for such insurance policies. It is advisable to have the children insured with affordable policies.

ADVICE 2: Ages 11 - 18

At this stage, additional insurance policies could be incepted by Parents and Guardians to ensure the education of the children are not interrupted due to your deaths or disabilities or loss of jobs. This is strongly advisable as the percentage of out-of-school children keeps increasing across Nigeria.

ADVICE 3: Ages 19 - 25

As maturing youths engaged in apprenticeship and early employment, you are most exposed to the vagaries of our societies with little experience on handling them. Even if you were not insured at previous stages of your lives, you are advised to embrace insurance. This is the right stage to consider Individual Life Assurance, preferably Endowment that can readily earn you a 'Millionaire status' a decade from now. Many of you should like this advice.

ADVICE 4: Ages 26 - 35

This is the stage where you become the determinants of your fate. You consider marriage, dream projects, entrepreneurship, further education, investments and social impact. The need to be insured is probably highest at this stage as lifestyle changes to give you more responsibilities and opportunities. Having appropriate and adequate insurance coverages is strongly advisable at this stage.

ADVICE 5: Ages 36 - 45

Consider that the impact of your work would become more visible at this stage and attract more invitation for involvement in projects and investments that will sustain your future. You are advised to

take insurance coverages not only for yourself but also for the interest of your family and businesses. You will need to think of what could happen to those who depend on you if the unexpected happens.

ADVICE 6: Ages 46-55

Can insurance protect your investments? Yes, if those investments are held in entities having assets and personnel. This is the stage where you are confronted with diverse risks and challenges probably in different domains. You are better advised to seek international insurance coverages for your health and life assurance policies with different companies. If you cannot afford these, be advised to at least settle for local policies despite inflation.

ADVICE 7: Ages 55-65

Retirement begins to require more attention at this stage and you are advised to give it priority, checking to ensure the status of your insurance policies are up-to-date. Many people have worked hard only to discover that their employers have not been committed to remittance of their contributions to statutory authorities. You are advised to verify the authenticity of any claims made, lest it becomes too late.

ADVICE 8: Ages 65-75

Your health will begin to take more priority of your time and wallet, so it is advisable to have appropriate insurance that would even address critical illnesses. And if there was no insurance towards funeral in the family, this would be a good time to have it.

ADVICE 9: Ages 75-85

Hopefully, you would since have moved your funds from Programme Withdrawals offered by your Pension Funds Administrators (PFAs) to Annuities of your preferred Insurer and enjoying some relative peace knowing that you are insured and assured.

ADVICE 10: Ages 85 and Above

You are practically left with Annuity that ensures you to receive payments till death. You are advised to have it long before now.

Generally, as you would have noticed, insurance seeks to give you a guaranteed position of financial strength in future. It is useful too in both wealth creation and wealth protection.

Let's all avoid the regrets that creep up when we are better informed about insurance at the time we can no longer make it work for us.

May be you will share what you know now with your children and younger friends to encourage the next generation.

November is the month that provides towards our fulfilment by year end. Enjoy it!

DECEMBER 2023 INSURANCE ADVISORY: CREATE YOUR INSURANCE EXPERIENCES

It is very interesting that, in Nigeria, everyone has access to the insurance industry, not necessarily insurance policies or solutions.

Thanks to the Global System for Mobile (GSM) Communication, by the time you call three persons, you'll be linked to the insurance industry in Nigeria. Many people have different experiences with the insurance industry but we are keenly interested in the Policyholders, who eagerly share their not-so-good experiences with friends and family that, in turn, talk about what they heard as if the experiences were theirs.

When asked to further explain, you hear responses like "it's actually my Brother-in-law that had this experience. Me, I can't do insurance in Nigeria." Why? Story for another day...

My advices this unique month are:

ADVICE 1: Create Your Insurance Experiences.

Experience often comes from those that have been around for years. It's important to learn from them and necessarily begin to have yours without the pains they had gone through.

Starting early helps build good and rewarding insurance experiences. For example, an Individual Life Assurance policy you start at the age of 35 will be more rewarding than the one you start at 55!

ADVICE 2: If Dissatisfied with Your Experiences, Reconsider Your Route Into the Industry.

Your road into the Insurance Industry seems to often determine your experiences. Most of us have entered the industry through Brothers, Sisters, In-laws, Friends and it is okay, but when we needed to transit and relate with the insurance companies, we failed.

And when problems (claims) arose, our contacts were unavailable or unable to assist.

Take time to reconsider your relationships to start enjoying your insurance experiences.

ADVICE 3: If Satisfied with Your Experiences, Validate Your Route Into the Industry.

Of course, when the relationship with your insurance company has been smooth, you will not even want to hear that you should check them out.

One claim is enough to validate the relationship for you. You will discover that your Insurer liked you because you were paying premium and had no claim.

The day you had to make a claim became the day you were reclassified from friend to "frenemy"! How sad though but it happens.

Always seek to validate the relationship no matter how sweet it feels.

ADVICE 4: Always Check on Your Insurer.

Just like a close friend or relative, check on your Insurer to know when the company might be unwell and needing you to decide, whether to help or leave.

Failure to do this check have caused pains to many people who are waiting for their claims payments from insurance companies that had become too weak and/or over exposed to increasing liabilities.

Ask unusual questions and you will get special answers to help you decide.

ADVICE 5: Have the Habit of Keeping Documents.

An outstanding insurance company once asked its Individual Life Policyholder to produce all his Receipts of Premium Payments as a condition to be paid his claims upon maturity of his policies with the Insurer!

When he wrote a letter to the Insurer, following the advice of an insurance professional, that he will report them to NAICOM, the Insurer quickly rescinded its earlier position and paid the claim.

Many insurance companies in Nigeria have "Incomplete Documentation" as their reason for having Outstanding Claims in their Financial Statements. Happily NAICOM is now telling them to act rightly by contacting the Claimants to come and complete the documentation.

Have the good habit of documenting your experiences with your Insurer.

ADVICE 6: Compare Your Experiences.

It is when you compare prices, terms and conditions, benefits and actions of your Insurer that you will know what to say about your insurance experiences.

No two experiences are the same in insurance even when you have the same policies because your life experiences are different too.

Ensure you compare and you'll be led to know more about your Insurer and the insurance industry.

ADVICE 7: Recreate Your Experiences.

Now that you have had your insurance experiences, which might have made you feel you had been working for the insurance industry, it's about time you start making insurance work for you.

To make insurance work for you is simple. You either appoint an Insurance Broker or subscribe to the services of an Insurtech firm that has relationships with an Insurer and/or a Broker on partnership basis.

Yes, you can have an exciting insurance experience even if you had a claim that was not paid, when you have made insurance work for you.

Please endeavour to use these advices and remember you can send your questions and comments to me.

See you in #January2024!

INSURANCE ADVISORY EXTRAS

FUEL SUBSIDY REMOVAL: SPECIAL INSURANCE ADVISORY FOR ALL STAKEHOLDERS

As you are aware, we have already released our Insurance Advisory for the month of June 2023 titled "Are You Sure You're Insurable ", but on the back of the national impact of the Fuel Subsidy Removal, it has become necessary to release this Special Insurance Advisory to the Three (3) Key Actors encompassing the stakeholders.

Importantly, Fuel Subsidy can be considered to be a form of insurance against the impact of pricing at market rate. With its removal, we (all stakeholders) are exposed to a new life without that form of insurance but able to take on another form, which is even more formidable.

ADVICE 1: To the Presidency of Bola Ahmed Tinubu, acknowledge that the people have ALWAYS NEEDED TO BE INSURED against the rising uncertainties of time, which is why the past governments made some classes of insurance compulsory.

Let the compulsory classes of insurance be enforced across all levels of government during the tenure of your administration and assure workers of a secured future.

Enhance the Group Life Assurance with a tinge of welfare to enable workers receive 30 percent of the sum held as benefits upon retirement or exit from service.

ADVICE 2: To the Beneficiaries of Fuel Subsidy, invest whatever is left of the goodies now, or what will be paid later as outstanding by the current administration, in Term Assurance Policies of multiple years (10, 15, 20) for you and your members (family and friends) and be assured of a future without fear. Term Assurance is a form of Individual Life Assurance coverage.

ADVICE 3: To the Beneficiaries of Fuel Subsidy Removal, as you begin this new phase of life, consider it as the opportunity you have needed to put your financial life in order. Get an Individual Life Assurance, Personal Accident Insurance, Health Insurance and Mobile Insurance as well as Identity Insurance as required in this digital age. Insurance is now more accessible via your mobile phone, available via online platforms and affordable via usage-based solutions.

And to all true Nigerians, do not wallow in the reported disappointments and ignorance of past insurance experiences rather embrace the new exciting environment created by innovative and predictive insurtech companies and partnerships. You are enabled to engage your future and secure it using diverse options.

SPECIAL INSURANCE ADVISORY FOR OUR –ELECTS

Congratulations will be best said thirteen months from now after we've seen the work done. To achieve above par performance ratings, consider the following advices:

ADVICE 1: Adopt insurance as your core strategic action to reach the people and impact their lives. Direct that all members of your Constituency and State register for Health Insurance;

ADVICE 2: Coordinate with the necessary legislative instruments to ensure insurance is fully operational in your Constituency and State. With all your people having health insurance coverage, you would address the major challenge of healthcare. Next is to ensure they live in safe and secured environments. Direct that all public buildings - offices, schools, markets, religious places, plazas, hotels and every place open for public use - be INSURED against risks of fire, collapse, flood and other unforeseen events;

ADVICE 3: Insure your critical infrastructure and contracts! Knowing that you cannot afford to have water supply interrupted, ensure the station is insured such that where there's a breakdown, it can be promptly fixed. Also, and importantly, ensure all your contracts are insured against non-performance and delayed delivery date. These includes supplies and projects;

ADVICE 4: Adopt insurance as an avenue for more Internally Generated Revenue (IGR). I know most of you will like to hear this. The simple part is to make those that do not have insurance coverages, as directed, pay a fine but the real juicy technical solution insurance can provide will require us to meet as soon as possible. IGR can also be known as Insurance Generated Revenue!

ADVICE 5: Insurance is the best kept secret of rich people and rich nations. Start asking questions now and let the answers you get embolden you to consider doing something different in governance in our country using insurance.

You are welcome to a new season in government for a new people by a new YOU. Go and make the difference, our -elect!

#HappyFathersDay2023

INSURANCE ADVISORY FOR FATHERS

God gives us the assurance to be with us every step of the way, and Fathers, made in His image, carry similar assurances to be with their families every step of the way.

As Fathers are not God, to handle the risks and challenges of life, God gives us wisdom and knowledge that are packaged as tech-enabled financial solutions including insurance and insurtech.

We should embrace them and create an assured future for our families.

ADVICE 1: Find and Subscribe to an Insurance Scheme that Enables YOU remain a Father in their sight. For example, as a Father, you pay the school fees for your children, so take up Child Education Endowment Policy that ensures their fees will continue to be paid if you lose your job, be disabled and unable to work and earn an income or you are dead and no longer there.

A Father should always be there for his family!

ADVICE 2: Find and join a Group of Fathers that are Financially Strong Together and Support Each Member when the Need Arises. Since after COVID-19 pandemic when we were all shocked and shaken, people especially Fathers realized that together we can respond better to such situations.

Groups of men exist today that support their members when the unexpected happens. Insurance for groups like Group Life Assurance, Group Personal Accident and Group Health Insurance can address some of the shocks that Fathers face.

ADVICE 3: Fatherhood Never Ends, What YOU Leave Behind Matters. Every business, irrespective of its fame today, was started by one person. Fathers, like Henry Ford, Bill Gates and Aliko Dangote, just to mention a few, will long be remembered because they built enterprises that their children and grandchildren can work with.

What are you building that your children will leverage on? A good name is good. An enterprise is better. A foundation to give back to the society is the best. If you can't do it alone, find another Father that may share your vision.

Generally speaking, our world is changing faster than our thoughts, so we need to act more than we think. Some Fathers are showing that it is possible with Artificial Intelligence and Machine Learning and Insurance can be predicted to help when disasters occur.

Remember as a Father, you are like God with all the answers, reach out for help to save those that look up to you.

Enjoy this Father's Day like no other.

#WorldYouthDay2023

INSURANCE ADVISORY FOR YOUTHS: AT 25, DON'T MAKE THE FINANCIAL MISTAKES YOUR PARENTS MADE

At your age, you unmistakably maintain the following accounts:

- *Phone Account*
- *Bank Account*
- *Fintech App*
- *Social Media*
- *Transport Service*
- *Fuel*
- *Food Court*
- *Fashion*
- *Email*
- *Movies Subscription*
- *Hair Salon*
- *Gym*
- *House Rent*
- *Dependants*
- *Intimate Relationship*
- *Alumni Association*
- *Etcetera*

All these and more TAKE your money, time and energy. You're required to meet your obligations monthly or whatever the period of time was agreed.

Like your parents, at this age, no one has probably mentioned INSURANCE to you or you've heard it but do not understand how it can be a financial instrument that GIVES.

Leading insurance companies in the Nigerian market offer and sell products that can pay you after 5 or 10 years. Imagine getting paid millions of Naira when you're 30 or 35 years of age!

Most financial advisers that you follow on social media won't even mention this because they either do not understand it or, like they say, insurance is one of the best kept secrets of the wealthy people.

So often, some of you say "I'll get it when I get married" or "Let's wait until we have children".

Truth is, wherever you are today, whether you're in the formal or informal sector, insurance does not discriminate. Everyone needs help in terms of the outflow account mentioned above but an insurance account helps to address the unexpected accidents of life and/or can put you in a prosperous position in future.

This is about your future and those of your relationships; and this is neither a sales pitch nor an appeal but an advice that you'll thank me for 5 or 10 years from now.

THE AUTHOR: ABOUT MY INSURANCE EXPERIENCES

In March 1990, I arrived Leadway Assurance Company Limited to start, what has turned out to be a remarkable journey in Nigeria's Insurance Industry.

Leadway Assurance remains the best place I ever worked because its system, people and strategy have enabled the unwritten vision to be better than the foreign insurance companies operating in Nigeria.

Meeting and working with the Founder of Leadway Assurance, Sir Hassan Olusola Odukale, could only have been the making of our Maker! Baba, practically moulded me into what I am today!

My journey through the insurance industry have been with Founders, Significant Investors and Owners, and I have seen the good, the bad and the ugly sides of the industry in Nigeria.

Mercifully, my journey took me to Mutual Benefits Assurance, the only company in which I had shares; thanks to the Founder, Dr. Akin Ogunbiyi, who graciously gave shares to the founding employees.

Other insurance companies I served include the defunct Central Insurance Company at senior management level in charge of marketing. Highly politicised environment!

First Chartered Insurance Company, where I was "flown" into the position of MD/CEO at the age of 36 and in my 11th year in the insurance industry, was the breakthrough!

United Trust Assurance came along, sweet-sour days and then I founded my first company, Gamola Nigeria Limited, which catered for the interests of investors in insurance.

Then, I returned to Central Insurance Company to be part of the Bancassurance opportunity that was botched due to the takeover of the big African bank by an Heir from elsewhere.

With my exposure to investors, the temptation to re-join Leadway Assurance was irresistible and the experience of the investment of the International Finance Corporation (IFC) remains unforgettable.

Hard lessons took me to Cornerstone Insurance Plc where I spent one year and saw clearly why the insuring public needed HELP, leading me to found and start The Third Party Media Company.

The urge to get back into the mainstream came with a short spell at Capital Express Assurance before the call from Guinea Insurance Plc came. Serving at Guinea was the chance to know Nigeria better!

My dedication and commitment to consultancy assignments within and outside insurance were enhanced at Mark George Consultants before fully devoting my time, relationships and resources to the empowerment of existing and potential policyholders and investors with facts about the insurance industry in Nigeria and what the sector is doing.

Today, I am delighted that, through thick and thin, Insurance September has survived to continue to be the platform for insurance policyholders and investors to know the industry better and share their experiences and expectations.

Be a part of my story and you will be happy you did. Insurance is making impact. Ain't it?



+234 802 585 0344
olagamola@gmail.com