



Farid Chedid on grooming young talent

The chairman & group CEO of Chedid Re believes that the industry should focus on the acquisition and development of fresh talent to instil a culture of top performance.

By Zuhara Yusoff

In 2009, Mr Farid Chedid anticipated that the reinsurance market in the Middle East would be maturing in the next decade, and for the business to remain sustainable, he knew he needed a new strategy.

The solution? He introduced a two-prong diversification plan – first, he launched Chedid Insurance Brokers in 2010; second, he expanded the group’s reach beyond the Middle East starting from 2014, tapping into the African market.

The Chedid Capital group of companies now comprises six entities, including Chedid Re, Chedid Insurance Brokers, Chedid Corporate Solutions, Al Manarah Insurance Services, La Nationale and City Brokers, with a network of offices in Beirut, Casablanca, Doha, Dubai, Istanbul, Khobar, Limassol, London, Port Louis, Riyadh and Sharjah. From a staff strength of three operating out of its Cyprus office in 1998, the group now employs over 500 people across the world.

This year, Chedid Re is celebrating its 20th anniversary, having achieved several milestones, including becoming a Lloyd’s registered broker in 2015. Its ability to adapt to different markets, its understanding of market conditions and its access to the expertise of its group entities have helped the company add value to its clients across the world. It has won the Middle East Insurance Industry Awards Reinsurance Broker of the Year three times, cementing its reputation as a key player in the MENA reinsurance market.

“We’re in this position because we find solutions, and we have a talented team,” said Mr Chedid. “We recruit the best from the market and we groom fresh graduates, whether they’re actuaries, engineers or those with a business background.”

IN CONVERSATION WITH

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Invest in talent

This training of young talent starts at Chedid Academy, which was set up in 2006. Participants go through an apprenticeship programme to prepare them for the industry. “You don’t graduate from university knowing how to do reinsurance,” he said. “There is no academic foundation for a reinsurance broker or reinsurance underwriter. These people have to be groomed to put them at a level of expertise where they are capable of providing good solutions and good service for the companies that we deal with.”

He said, “Some companies are not investing in training. Instead, they are poaching talent from others.” The acquisition and development of talent is a “continuous challenge for us and everyone in the industry”, he said. He believes the industry as a whole should be invested in grooming new talent.

And once a talent has joined his company, he expects only the best from them, instilling a culture of top performance right from the start as he believes in “going the extra mile, doing better and doing more for our clients and reinsurers”.

Open communication

Based in Beirut with about 200 employees staffing the various divisions of the business, Mr Chedid has an open-door policy to encourage an open flow of

communication and foster a positive work environment.

“I spend a lot of time with people... I’m always talking to my colleagues,” he said, “not only to the people who are directly reporting to me, but others as well. It’s very important to talk to everyone in the company to get a sense of what is going on.”

Communication with clients is especially critical as it is a great way to get feedback on the service and solutions the company provides, he said.

Not a one-man show

Looking back at his journey, he recalled clocking in about 70-80 hours a week 10 years ago. Nowadays, a 15-hour work day is the norm only during business trips, where dinners with work associates and clients are de rigueur. He said, “You can spend 15 hours in the office and not be productive or you can spend five hours in the office and be much more productive. It’s all about working smart, being effective and efficient.”

He added, “When I’m at work, I’m completely dedicated and focused. But when my kids are on school holidays, I spend time and travel with them.”

The 45-year-old father of four – two boys and two girls ranging in age from eight to 14 – goes on skiing holidays with the family during Christmas and spends up to five weeks in Greece during the summer months.

“When I’m on a long holiday with the family, I work on my iPad and phone in the morning and spend the rest of the day with them,” he said, adding that his business is not a one-man show.

“I would have failed (as CEO) if I see that the company is not functioning because I’m travelling or I’m away on holiday,” he said.

“The company has to function even if I’m not there. And the best way for me to test this is to go on holiday and see if it works,” he said, half in jest.

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Looking ahead

Reflecting on last year’s business environment, Mr Chedid said, “It was definitely a challenging year because of the economic conditions in the region. Everyone is now focused on cutting costs.”

He cautioned that 2019 will be a defining period for the reinsurance industry in the Middle East, especially with capacity withdrawing. “The cession rates in the Gulf region are dropping. This means less reinsurance business for insurance companies and reinsurance brokers,” he said.

“We are reorganising to cater to the needs of our clients that are still staying in the region, whether they are underwriting out of Dubai or from their head offices and global branches,” he said.

Elaborating on the future plans for his company, he said, “We are looking at territories that are adjacent to the Middle East. Africa has growth potential as the markets are underpenetrated; they look like the Middle East 15 years ago from an insurance point of view. We’re expanding into those territories because we know how to handle difficult market conditions.”