

## Inside this month:

99 newsletters and the pitch is on – Henry Williams outlines the market's selling points and we see how LMG's work could help build on these...

# LMG



# the LMG

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# newsletter



## Getting ourselves noticed

If one were to rework the classic chant so beloved of Millwall fans for a London market context, then, based on the revelations in Henry Williams main article inside this month, we should all be singing “no-one’s heard of us; we should care”. Henry, who has had the rare treat of working as an intern in the LMG Secretariat this summer, surveyed a group of his friends via one of those social media thingys. When asked the question “have you heard of Lloyd’s?” (we considered “London market” but we wanted to give them a chance) less than a quarter of them could answer “yes” once we discounted those who had it down as a bank (or, indeed, a chemists). And that is less than a quarter of people who are currently students at University – one of the many demographics to which we would wish our market to appeal.

You could argue that this shows that

the market does not have an image problem - it just doesn't have an image at all. But it does demonstrate the need to raise our profile and develop the ability, as a market, to promote ourselves as the vibrant, innovative, productive contributor to the UK economy we know ourselves to be. And, more than that, to ensure that other sections of society appreciate that so much that they take for granted – shops, schools, businesses, houses, transport – would not exist or could not continue without a thriving insurance industry. And that is before we get to the role we play in the wake of the world's natural disasters.

Providing the base facts that will help us tell this story is a key part of the research work LMG has commissioned from The Boston Consulting Group. This will provide a consistent, comprehensive definition of the totality of activity that makes up “London market business”. That

is something we probably haven't had consensus on before. And then it will tell us what that activity adds to UK Plc in terms of GDP; employment and invested assets. That will provide us with the base information we need to ensure Government and regulators recognise us as a separate sector in our own right that needs not special but specific treatment. It will provide us with the base information to go to groups like Henry's friends and show that here is something worth knowing about.

Once they do know of our existence the signs are quite encouraging. All of the Williams group readily found information on graduate schemes they might like to apply for, once they knew what they were looking for. And do not discount the power of some of Henry's comments on broker social lives. A market tangibly committed to work/life balance, not one that just pays lip service to it. There is a selling point in that...

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## For further information

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### Useful Links

**LMG** [www.londonmarketgroup.co.uk](http://www.londonmarketgroup.co.uk)

**LMA** [www.lmalloyds.com](http://www.lmalloyds.com)

**LIIBA** [www.liiba.co.uk](http://www.liiba.co.uk)

**IUA** [www.iua.co.uk](http://www.iua.co.uk)

**ACORD** [www.acord.org](http://www.acord.org)



## The place to be IT'Ceen this autumn

This year's Insurance Technology Congress takes place on September 23rd and 24th at etc venues, St Paul's, London. This year the conference will focus on "[c]onnecting growth across your organisation: [c]ollaboration, integration and innovation through technology." As ever it features a firmament of stars from the modernisation community including:

- Sasa Brcerevic, COO of Hiscox London Markets and a member of the LMG research working party;
- Shirine Khoury-Haq the Operations Director at Lloyd's, a member of LMG and Chair of the Board of The Message Exchange Limited;
- Lance Grant, Senior Vice President, Operations and IT, ACE European Group and Director of Placing Platform Limited;
- Edward Slade, CIO, Tysers;
- Justin Emrich, CIO, Atrium Underwriting;
- Peter Mungeam, Chief Operating Officer, AON Benfield Asia Pacific Client Services and a member of Ruschlikon UK;
- James Livett, Associate Director, LIIBA champion of eAccounts and a member of the LMG research working party;
- Peter Houston, Head of Operations for UK & Ireland, ACE European Group, a member of LMG and Chair of IUA's Process Efficiency Group;
- Rob Gillies, Director, Market Processes, Lloyd's Market Association, "Mr Genesis" and a member of Associations' Administration Committee;
- Mark Barwick, Implementation Director, ACORD;
- Simon Squires, CPO Regional Manager International P&C, XL Insurance Company and Chair of Ruschlikon UK.
- Mark Chapman, Group CIO, Global Aerospace, Chair of Associations' Administration Committee and Director of The Message Exchange Limited;
- Bent Isachsen, Chief Operating Officer, Torus Insurance.

For more information, or to register, visit [2014.itc.event](http://2014.itc.event).

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## And in October...

The latest Lloyd's technology "thought leadership" session will take place on Tuesday 7th October in the Old Library. This time the speaker will be Sébastien Colombo of SAS. Registration opens at 8:30am with the session starting at 9am.



*Henry Williams has spent six weeks as an intern in the LMG Secretariat. His main role has been to help out on the LMG research project being run in conjunction with The Boston Consulting Group. But he has also spent time on the box with an underwriter, spent an afternoon shadowing a broker and a day involved in the operations arm of a major insurer (names withheld to protect the innocent). In this article Henry reflects on all those experiences and tells us what the market looks like to the outside world...*

I have been working for the LMG since the 1st of July on the market research project being conducted by The Boston Consulting Group. This mainly involves arranging interviews between the consultants and representatives from a range of different companies from within the insurance world. In return I have been granted the opportunity to go to all of the meetings I arrange. Although it was daunting to be admitted entry into the offices of Chairman and CEOs within my first week of working here, it has been an amazing experience and the level of expertise to which I have been exposed must surely be rare for a summer intern. This was commented on by Paul Jardine of Catlin who said "I was changing car tyres for my summer job; I have to say it seems you've got yourself a pretty good gig!" I wholeheartedly agree and I am very grateful to Chris Croft who has given me this opportunity.

I knew very little about insurance before I started this internship. I don't believe this is an uncommon stance for someone of my age. For a lot of us the only exposure is from personal lines advertisements, most of which these days are price comparison websites. As part of my work here, I have conducted a small survey amongst my friends to get a general feeling for a few university students' awareness of Lloyd's - and to a lesser extent the whole insurance market. Of course, this isn't really a fair representation; the sample size was small and the demographic hardly covers a wide range of social classes. However I still think it is telling that only 24% of the sampled people had heard of Lloyd's at all; the majority of the rest were under the impression that Lloyd's is a bank! I am sure there are multiple reasons for why this is the case but the simplest conclusion I can draw is the

lack of advertising and promotion towards potential graduates. In my mind there is currently little chance of consistently attracting the highest calibre applicants with this level of awareness about the industry in the student body. I know it is premature to try and draw any findings from my research (and a little presumptuous on my part), but the people I surveyed all go to high achieving UK universities that banks, consultants and the like focus on. If I was running an insurance firm in London this is a talent pool that I would want to target.

It seems almost absurd that I came into this internship with such little knowledge of the market when you look at my family's history. If I do pursue a career in insurance then I will be the 5th generation Outhwaite to work in the industry. This started with my great great grandfather, who worked as a local marine underwriter, through to my grandfather – Richard Outhwaite, who ran a syndicate at Lloyd's, and my mother who worked here before her marriage to my father – Steve Williams, who is an operations officer at JLT. What little I did previously know about insurance has come from these family members. Although it is not something that was often discussed at the dinner table! Or perhaps I should say, if it was discussed it didn't grab my attention at the time. Having said that my Dad is one of the few people I know that genuinely enjoys his job and this is what made me keen to try and secure the summer internship (even though I didn't really understand what he did).

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As part of the experience I have been shadowing a broker and an underwriter to get exposure to the

front line of the business. Two things struck me about the experience. The first and positive point I would like to make is how friendly and welcoming everyone I met has been. 90% of people seem very cheerful and the younger people – in particular the brokers, have social patterns not too dissimilar to mine as a student at UCL. They go to all the same bars that I do (although maybe not quite as frequently) and I found it reassuring that it seems easy to make the student to professional transition whilst maintaining a vibrant social life. I wanted to highlight this point as I think the amicable nature of the industry certainly should not be taken for granted, or even expected in the work place. My reasoning for this view is some of my previous work experiences, whilst not unenjoyable, have not been as welcoming. Having said this I am aware that the latter half of July is hardly the most stressful time of the year, and if anything, people are more likely to be bored than stressed. I would be interested to see if the friendly atmosphere is maintained in main contract renewal seasons!

The other point I would like to make was my surprise at seeing many pieces of paper being used at the underwriting boxes. I come from a generation where everything is done

electronically and online. To someone of my age an iPhone 5 is out of date and a blackberry only really has a place in a museum. You can imagine my disbelief therefore, to see brokers handing over massive bundles of paper in leather binders to the underwriters. Even more shocking was when one of the underwriters took out a gold fountain pen to scratch his signature. This archaic way of doing business is actually something people of younger generations may never have been exposed to. Although it is true a lot of us still take notes in lectures and classes with pen and paper, a vast number of students are moving to tablets and a master copy of the

must move on too. I know I am being a little unfair; the small team of brokers I shadowed did many of their placements through Ebix. They were very keen to promote its use as they thought it was much easier, quicker and more secure. For the more complicated placements, where a face to face medium is needed it was good to see the occasional use of tablets, which is surely a step in the right direction. However, there is still clearly a long way to go.

I have only been exposed to this job for a short period and I know a lot of what I have commented on is a lot more complicated than I have made out. However what I hope to have

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notes is always issued electronically. We study online, bank online, shop online, communicate online and I therefore I find it hard to understand why so much of the insurance world is still offline. The world has moved on, and I believe the London market

achieved is convey the initial impression that the London market has made on a 19 year old student. There is much to like, but also much to do. I will look on with interest, and, who knows, may even seek to become part of it all more permanently...



# Events...

## Dates for your diary

The LMG Forum sessions are designed to provide an update on the progress of the modernisation programme and give more detailed information on particular projects or aspects of the process.

Upcoming dates for 2014 are provided below. All sessions start at 9:15am in the Willis Auditorium, 51 Lime St.

**Thursday 21st August**  
**Thursday 25th September**  
**Friday 24th October**

Only those who pre-register will gain admittance. Online booking is available via [www.londonmarketgroup.co.uk](http://www.londonmarketgroup.co.uk) Places are reserved on a first come first served basis.

### ACORD Club dates:

ACORD Club provides an update on the latest technological innovations in the market. The venue for this is Balls Brothers, Minster Court. All sessions start at 11am. Upcoming dates are:

**Thursday 11th September**  
**Thursday 23rd October**  
**Thursday 27th November**

For more details on upcoming speakers contact Melanie Harding ([mharding@acord.org](mailto:mharding@acord.org))