

10 key design principles for the future of trading in the London market

Client experience is paramount

01



Underwriting Room to remain but role to be redefined

02



Producers will travel

03



Creativity works best in person

04



Serendipity is still relevant

05



We will keep things from the old world and the current one

06



Aspects of staff training and development will adapt

07



There are things we will be able to do away with

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Most firms will retain an 'office focus'

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Flexibility is crucial

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Client experience is paramount

- Everything must be geared towards delivering better, cheaper and more innovative insurance solutions in an increasingly complex risk landscape.
- Clients value the ability to meet decision-makers, both brokers and underwriters, during their stays in one of the world's great cities
- Having an iconic space such as the Room is a key part of London's brand
- Transactional efficiency is important but lowest cost does not always mean best value. London is the Harrods of insurance not the Lidl. Having said that, we will do everything possible to reduce unnecessary waste and activity in the value chain



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Underwriting Room could remain a focal point, but its role needs redefining

- The Room must remain a vibrant trading space, not become the museum of modern insurance
- Decision-makers must be available and empowered if the Room's traditional role is to be maintained
- Face-to-face negotiation will remain crucial for complex risks, particularly for lead lines and product/programme design
- The Room should still allow smaller broking firms access to underwriters
- It can enhance its role as the gathering point for market participants – particularly those that cease to have EC3 office space
- It should remain visually stunning so that visiting clients boast of their trip to potential clients when they return home



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Producers will travel

- Remote working is effective for existing business
- Developing a pipeline requires in-person human interaction
- If you don't make the effort, others will. They will gain competitive advantage as a result
- This will be even truer as we seek to grow in non-traditional markets



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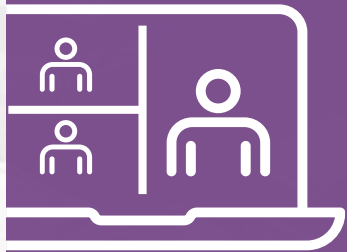


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Creativity works best in person

- Challenging conversations need body language to add context
- It is difficult for some to participate in large group discussions remotely
- Video conferencing is better than nothing. Technology will continue to improve the way it addresses some of the 'creativity' challenges



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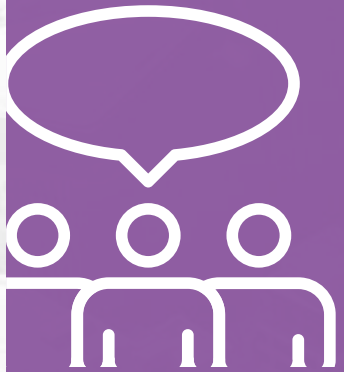


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Serendipity is still relevant

- Deals still get done by bumping into the right person at the right moment
- This provides an incentive for people to be visible in the market
- Too much remote working could mean you miss out



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There are things we will keep both from the old world and the current one

- Face-to-face will not go away
- Claims performance for simple claims has improved in lockdown
- The balance of home/office working will not return to the pre-March 2020 status quo



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There are aspects of staff training and development we will need to adapt

- We must consider how we develop staff in this new environment
- How can mentoring work when people are not in EC3 as much?
- How do we help younger colleagues develop the networks they will come to rely on?



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There are things we will be able to do away with

- Brokers should no longer queue for simple endorsements –although we should not lose the access to underwriters that queuing provides for smaller broking firms
- Stuffy dress codes must go
- Underwriters saying ‘no’ too readily while working remotely
- Lack of decision-making in the Room



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Most firms will retain an ‘office focus’ especially for client-facing and trading staff

- The home/office balance will change but there will be an emphasis on being visible in the market
- Unlikely that these staff will move to rigid new plans like three days in and two at home. Far more likely to be five days in some weeks – for example, if clients are in London, or during peak renewal periods – and fewer in other weeks



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Flexibility is crucial

- Technology is changing at warp speed. We must design an approach that can easily adapt and absorb as new capabilities become available
- Improvements to video conferencing could begin to erode the power of face-to-face for instance



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