



## Placing risks ahead of the queue

*Darren Doherty is Managing Director of BMS Facultative Ltd. His team has been piloting use of RI3K to support the placing process since last November. In this article he discusses the very real benefits they are seeing from their move to electronic placing; and some of the challenges they have faced in getting where they are today.*

I have long been personally convinced of the case for moving to an electronic placing world. Indeed I have found over my career that queuing to see underwriters gives you plenty of time to think: “there must be a better way”. So when Phil Hill, Managing Director of BMS Management Services Ltd, was looking for volunteers to pilot RI3K, I was keen that my team became involved.

I had seen the product and was impressed by it. I was also aware that, with the merger between Aon and Benfield going ahead, it meant that an increasingly significant proportion of business coming into the market in our area would be being presented on the platform. That added to my belief that we should try it out – if we could make it work for our team it would make absolute sense to adopt it.

To be honest, as soon as I saw it in action, the system ticked all the right boxes. It provides a full audit trail for all our business which is vital in the world of regulatory scrutiny in which we all live. It is also a single store of all the information

we have sent to the carrier to place the business; and, just as importantly, it is the single source of the truth on the contract. No more disputes over what was agreed, when a claim comes in.

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The fact that we can access our system securely over the web is also a huge bonus. I travel pretty frequently but using RI3K means that I do not miss out on progressing business I am broking myself or on the management information and control that the system provides.

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amounts of time, and it allows our underwriter partners to consider a risk at a time of their choosing. On top of this, all of our non complex endorsements and minor contract amendments that were time-consuming when we had to take them out into the market are now dealt with at the press of a button. That makes our lives so much easier.

I like to think we have also learnt from those who went before us in the way that we have set ourselves up on RI3K. We have streamlined the process as much as possible and use the system right from the start of our placements. That includes using the slip builder tool which is fantastic. Indeed we have had no issues with the system at all. It is freeing up my team’s time and allowing us to process more business without needing to expand our resources.

The other advantage in using the RI3K slip builder has been in winning over some of the less enthusiastic members of my team. Now, even if they wanted to broke a risk on paper, they would have to put it on the system first in order to get the documentation. This,

plus the joyful experience of seeing straightforward endorsements agreed before your eyes without having to leave your desk, has been enough to win over even the most resistant of colleagues. Plus the slip builder feature really comes into its own on renewals when most of the data is there already. Literally with about three button presses you can get a risk out to 30 markets. How long would that take you to do in person?

I think it would be fair to characterise the reception that our pilot has had from our business partners as mixed, but we have had some really positive experiences, including very good support from senior management on the carrier side. A significant proportion of our core market have seen the benefits of what we are doing, have been very supportive – and have often left us staggered by their speed of response.

When working with underwriters, we have done our best to highlight the benefits for them in using the technology – which, to my mind, can be considerable. Take the comparison feature for one thing. At pretty much the touch of a button, the system will highlight to you what is different about renewal information compared with that provided last year; or how a firm order submission differs from the quote request.

**“He came back after lunch having had one small line written. As he sat down, our technician told him that the rest of the order had already been completed electronically. What is not to like about that?”**

We have also attempted to encourage involvement by prioritising those underwriters who respond to us electronically. Indeed we have done an increased proportion of business since last November with one person who, as far as I can work out, is writing business on the train using his Blackberry – an example of the significant cultural changes electronic placing is encouraging.



All this suggests to me that benefits are there for us on both sides of the transaction if we are prepared to look for them. What I think we need, as a

market, is a centralised effort to win the hearts and minds of the practitioner levels in our firms. We need to take these people through the real benefits that my team are seeing every day and that many of our underwriters are enjoying as well. So I was encouraged by the recommendations made in the latest Aon/Watertrace survey suggesting market wide forums be created to make this benefits case directly to those who need to hear it. I will do what I can to support this.

Adopting electronic placing has had a massively positive affect on the work of my team. I had long believed that moving to electronic support for placing could help us. Now I have seen it is true. I would sum up the experience with a story from early on in our pilot. We had a bit of straightforward renewal business come in that the previous year had had 23 underwriters on the slip. I gave it to one of our team members who passed it to one of our technicians to set up on the system, before taking the slip out into the market to place in the traditional way. He came back after lunch having had one small line written. As he sat down, our technician told him that the rest of the order had already been completed electronically. What is not to like about that?

# Events...

## Dates for your diary

The Market Reform Forum sessions are designed to provide an update on the progress of the reform programme and give more detailed information on particular projects or aspects of the process. Dates coming up are provided below. All sessions start at 9:15am at Willis Auditorium, Lime St.

- Wednesday 22nd July**
- Wednesday 19th August**
- Wednesday 16th September**

Only those who pre-register will gain admittance. Online booking is available via [www.marketreform.co.uk](http://www.marketreform.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. Dates coming up are:

- Thursday 30th July**
- Thursday 27th August**
- Thursday 24th September**

For more details on upcoming speakers, visit the ACORD website ([www.acordlondon.org](http://www.acordlondon.org)) or email Melanie Harding ([mharding@acord.org](mailto:mharding@acord.org))