

## **Arch Insurance International Pursuing Better Together Podcast: Mark Geoghegan**

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Welcome to the latest in Arch Insurance International Pursuing Better Together podcast series. Today I have the pleasure of being joined by Mark Geoghegan, Editor at The Voice of insurance, a podcast platform, which as Mark puts it himself, looks to re-examine and challenge long held beliefs, received wisdom and insurance myths and taboos by getting up close with many of the sector's leading practitioners. Mark is part of a rather exclusive club as he is the only insurance journalist to have had a prior career transacting international insurance and reinsurance business. Previously an insurance and reinsurance broker working in London and Madrid, he became a sector journalist in 2005 before joining the highly respected market publication Insurance Insider in 2008. In 2019 Mark launched the Voice of Insurance, which provides a platform for him to apply his unique experience, relationships, access and understanding to bring his audience incisive and insightful global insurance audio content.

Mark, it's great to speak to you today and perhaps a rather odd situation to have a market journalist and an editor, who I've known for so many years, in the interview seat for a change.

### **Mark Geoghegan**

It's nice to be interviewed. I just talk for a living these days.

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While many of our listeners will know you as a leading market commentator, both in print and more recently as a podcaster, but what they might not know is that you actually began your career as an insurance broker. I just wanted to get a sense from you of how you initially came to the insurance sector and then what triggered the switch or the move into journalism?

### **Mark Geoghegan**

I always wanted to be a journalist, but I had this conflict and Madrid was the clue. I was a Spanish graduate and I really wanted to be a journalist and a writer because I've always been involved in that kind of thing but then I had this conflict that I did a Spanish degree and I really wanted also to speak Spanish all day and live in Spain or live in Latin America. But when I graduated, the first thing I did was I thought I better go and get a job and get some money and I hadn't done anything about doing a postgraduate diploma in journalism, which a lot of people said was a good idea and I should have done that – I didn't do it. So, I just went through the milk round and in the autumn, I found myself up and down Lime Street but working for the biggest insurance broker in Spain that had a Lloyd's broker, it was called Gil y Carvajal, and I worked for them for seven years. I also worked for Heath in Madrid. I came back to London to work for Gil y Carvajal which is now Aon, and then Aon took over Gil y Carvajal. It was around 1999-2000 when there was a massive wave of broker consolidation, when Aon was really becoming that global broker and Marsh was doing the same thing, and they were just outbidding each other on different things and taking Spain, taking France, taking Italy, and all the brokers in London were being taken over as well. And so, for me, I was just getting married to a Spaniard, who I'm still married to 25 years later, so I got Spanish at home at that point. At this time, I was being offered redundancy or the chance to sort of punch my way around everybody else in Devonshire Square at the time, so actually, it was a good point to reassess my full commitment to insurance. I found it really interesting because it was great working in London, doing all the weird and wonderful. It was everything that couldn't be done by the Spanish. The biggest broker in Spain would send it to London, you know weird contingencies, whatever, and all the hardcore stuff. So, I had a huge amount of interest being one of three or four placing brokers in London, who were seeing all this weird and wonderful stuff that was coming across the desk, so I would broker multi classes and then I'd worked in Spain as well. So, I'd done it from the production side, I've done it from the other side, but this gave me that chance to say I've got Spanish at home now, I don't need a bilingual job anymore because the conflict was my Spanish is really good, but it'd be hard for me to write a Spanish article with the same nuance that I can in English. So after about seven and a bit years, this was the time and I had the offer of a redundancy check and that just gave me this Dutch courage to go and try and become a journalist.

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So, when did you actually enter the insurance fold?

### **Mark Geoghegan**

2005. It was Reinsurance Magazine, which was part of Incisive Media, which was the business that owned Post Magazine and Insurance Age, that UK listeners will know all about. It was absolutely the right thing to have done. Because the best thing about being a journalist is that you get rid of all the day to day stuff, you

get rid of boring things. Obviously if something's boring, then why would you write about it. If something's not new, or it's not news, then you don't have to write about it. And so, journalism is perfect for someone like me and then insurance journalism is perfect because insurance is so interesting, because practically everything that's on the 10 O'clock News has an insurance angle. So, it just took off for me. Insider was around, but by the time 2005, when you were at Global Reinsurance, I was doing Reinsurance Magazine which had been around forever and the Insider came had come of age at that point, it was starting to be quite grown up and doing lots of quite hard-hitting stuff. And so, it was one of those things, you move around in this big press pack, and you get to know each other and I think when they kind of finally knocked on the door, it was really easy to say yes. And that was really great, it was 11 years, and then now the podcasts are completely different but that was over three years ago now.

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Just on that point there, we were aware of you coming into the market at the time. You were a new journalist and somebody that we quickly found obviously had that background in insurance and reinsurance broking. Did that put you in a slightly different position when it came to actually interviewing people within the marketplace? Because of your knowledge and because of your more granular insight, did that give people a greater level of apprehension or perhaps reassurance when you were doing your interviews?

### **Mark Geoghegan**

Not with the practitioners at all, it works really well because it just relaxes them straight away, because their biggest fear often is particularly if you send a junior reporter to something, to see a CEO you slightly worry as an editor, you think are they ready to do this? So, you immediately know oh, it's Mark, I can say all this stuff and I can talk in all the jargon I'm used to, I don't have to double explain everything. And also, even when you when you meet someone new in insurance, particularly at our level of insurance, this global wholesale specialty reinsurance world is really quite small. They talk about six degrees of separation between everybody in the planet, but in insurance it's one degree. So, all you have to do is you run through someone's seat, you've never met them before, you sit down, you're trying to make them comfortable and get them comfortable with you. We know each other, we can relax, and I can talk, and I can say TLA, I can use all the three letter abbreviations and Mark will understand him, then he'll put them back into plain English when we go into print. So, they can relax and generally, it was really good.

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Did you find that that level of reassurance that they had made them open up a little bit more conversations?

### **Mark Geoghegan**

Absolutely. That used to happen, that that got me into trouble and probably some of my interviews ease into trouble early days, actually just because they kind of forgot they were talking to journalists. They just thought, oh, it's just this broker guy, isn't it? And that's the greatest thing about insurance. I hadn't walked down Lime Street for six years and then I walked down Lime Street as a journalist to go to the Lloyd's results, one of my first things I did, and someone bumped into me, of course they bumped into me with a slipcase under their arm and said "Oh, Mark, I haven't seen you around for a while, which were which broker you working for now?" I was like, no, I'm not a broker. That continuity is like, you've got a face, people recognize you and they just assume you're still in the industry. And actually, I think that's really helped. The journalistic standards are really so much better. That was 17 years ago. I think the insurance industry is pretty lucky to be quite so well scrutinised. Maybe it wouldn't want to always be quite so well scrutinised but scrutinised from a really high level of understanding these days now. The bar has been set pretty high and that's only good, that can only be good to have someone really looking at you, who really understands and then doesn't go off half-cocked all the time. Of course, because you know the insurance industry has a really hard time when it gets into the mainstream media. Like with the pandemic, it becomes very bad headlines. Why are they rejecting this claim, they've paid all these premiums, but people who don't really understand the intention of what those policies were, we weren't privy to the conversations. It's very very difficult and obviously you didn't see the insurance press really criticising the industry during that period.

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And of course, now you have the Voice of Insurance platform. What do you think this platform now gives you or enables you to do that perhaps you couldn't do in previous roles as a journalist or as an editor?

**Mark Geoghegan**

It's really interesting because the Insurance Insider is an exclusive news platform and that's investigative journalism. This is completely different. You can't doorstep someone on a podcast because it won't be much of a podcast, they'll just slam the door in your face. So, it's consensual and it's completely different. It's on the record, it's consensual. When you're in investigative journalism you're often having off the record conversations. That means people are telling you things, but it doesn't come back to them, their name doesn't appear in print as the source of the article. You're doing all this sort of subterfuge, this is completely the opposite, it has to be transparent and open. And I thought oh God, I wonder if that's going to work at all, but of course it does work because once you make someone really comfortable and you've also decided what you're going to talk about and what you can't talk about, it means that things that are on the agenda are really on the agenda. And that means you can go into the nth degree about them, and you can get into a really high level of understanding of things that you wouldn't necessarily always talk about. It's difficult to have examples but it's just a different feel of the whole thing, that you can go into lots of reasons, you can go into much more the reasons why things are the way they are, and a lot of the more sort of shades of grey in between all the different black and white. Investigative journalism can be very black and white, whereas real life is much more nuanced. So, with the consent of the person I'm interviewing, we go into those details, we go into everything in much more detail, and you get a lot more of a feel for what it's really like.

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And you get more of a sense of engagement, I suppose with the person that you're speaking to.

**Mark Geoghegan**

You find out what they're like as well because you can sort of fake it, you can do as much media training as you want but when you've been on a line with someone or face to face with someone 45 minutes, at some point, you're just going to be yourself because that's the only way you can do it. You can't just pretend to be this persona that you've got., you just have to be yourself. So, you do get to hear what people are like. I think you can hear it in their voice. So, it's funny, you get that personal connection with people. There's something really intimate about podcasts and so it's nice that you're sort of talking in someone's head. I don't know what people are doing while they listen to this, but there you go, it's that kind of thing. Spoken word is really intimate, isn't it? People feel they can know that person a bit better. I think it's better than video and much better than in print.

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At this point, I just wanted to switch tacks slightly because I wanted to get your perspective, which you get from operating on a different viewing platform, on the London Market itself. And I just wanted to get your views on the market. How would you say the London Market is currently positioned when we consider it in the context of the global insurance market?

**Mark Geoghegan**

I think it's in a really good place because it's in a realistic place. When I was working as a broker, it's nice to be able to say that I don't say that very often anymore, I used to say it all the time when I first started. But when I was working as broker, you were in Madrid and you'd send something to London and it comes about with all this sort of jargon and clever stuff, but they thought they were the only show in town 30 years ago, and 40 years ago they probably were. By 30, they certainly weren't, 50 years ago they definitely were, 40 years ago they had competition, but they probably didn't realize that they had competition. And being a broker in London, during a hard market, you go into Lloyd's and sometimes people are so rude to you. This is their distribution network and they're being rude to you. That is nowhere near the case anymore. There's a huge sense of humility and perhaps since all the London Matters Report, understanding of where does the butter come from that goes on the bread and how do we access this? There's been a really good mindset change, there is no more arrogance. And that's not to say that the London Market is brilliant, but it's a very, very important change. On a technical level, on the admin level, and on other things, commission levels and expense levels, there's huge amount of work to do, but the most important step that has been made already is to realise that we're in a competitive business, and we need to improve. There's a lot of technical work that needs to be done to improve customer service, to improve things. I think the most positive thing is that mindset, before people didn't realise there was a problem but it's in so much better place now. So that really bodes well for the future because it's still relevant, it's still needed. I think with a lot of the technological developments, they're really difficult. I think people forget how hard they are. I remember when the electronic claim file was coming in, getting rid of loss notifications, manual ones that were put in a van and sent down to Chatham and stamped to then come back again, all the nonsense that

you you'd have to go through. But the thing is, there's an interesting problem that the technologists think it's really easy and of course the insurance people keep saying it's really hard and actually, it is quite hard. But the funny thing was when the ECF came in, I remember Xchanging, which has now obviously evolved into DXC over different takeovers, but back in the day Xchanging was running the bureau and people said ECF was just a glorified PDF. And they said, yes it really is a glorified PDF, but I'll tell you what, Adobe came to us because we had broken the PDF. The Acrobat document, this is the PDF that we all know and love and hate. Well, the ECF, just sending a couple 100,000 PDFs around the market, it broke the PDF. So don't tell me that technology is easy. So, Adobe had to send their most senior engineers to stop the PDF from breaking every time you split it up into whatever they were doing. And all they were doing was sending an advice on what was a glorified PDF. Sometimes technologists are very blue sky and I think we're finally getting to a place where everyone's meeting a bit more in the middle. And so, it's kind of six to one and a half dozen to the other which is really stymied the industry for 30 years and finally, it's happening. And of course, you keep realising how hard it is with these different blueprints and visions, and it takes time, but the prize is really fantastic. So, I'm optimistic it'll get there, we're getting there bit by bit by bit by bit, but it's going to take so much longer than people think. But when it happens, then the acceleration can happen really fast after that, and then a lot of those changes that people thought would never happen, could happen really, really, really fast. But it's best not to talk about those things yet, because it's too far ahead.

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You touched upon a point there which I think links quite nicely into this idea of pursuing better together. Given what the market is trying to achieve, the scale and the scope of what it's trying to achieve, it must be done in a collaborative way.

### **Mark Geoghegan**

Yeah, you both have to win, don't you? You've got to make it easy for the broker and the broker's going to make it easy for you, and you both win because brokers margins should probably go up, and so should the carrier's in the end, and your customers have got to be really happy. First of all, focus on making the customers really happy and then share the spoils afterwards because the more happy customers you've got, the better business you've got. Instead of being a £60 billion market, the London Market could be £120bn, £180bn really quickly. And that's the prize. It's just a wow, I can't believe that we sweat it to do 60 and now we can do 120, 180, 240 quite easily and we don't have to suddenly hit a lot of buffers and hire 1000s of new people, actually we just need to sort of rent a bit more cloud space

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Do you think the changes that are taking place at the moment will change the unique identity which the London Market currently has or maybe that needs to change, maybe its market identity needs to evolve? But what are your thoughts on that?

### **Mark Geoghegan**

Well, I remember when I was in that hiatus between being an insurance broker and being insurance journalists, I had five years, and one of the things I was doing was investment journalism. I remember a stockbroker telling me about the dip, back in the day when there was still an open outcry, the Stock Exchange on Threadneedle Street. He said one of the things he missed was when the market was on a run, someone was holding a load of stock in whatever it was, they were market makers, and it was falling and falling and it was falling all morning, and you could see they were putting on a brave face. But you could see, they were starting to get scared, by teatime, it's nearly close, and they're holding a lot of stock that no one wants, and they bought it for this price, and it's now 20% down, you can see the fear in someone's eyes. And that's one of the things that you really want to be able to keep, but I don't think we'll lose that. As long as we have a place where you can aggregate business really quickly, you can go and get a billion-dollar limit really fast with a few lines, and obviously with some of these follow syndicates, you have a big leader, probably an Arch lead, or someone who's a recognised leader in something, and bang. If you can get follow capacity, \$5-600 million within three milliseconds behind that, that is a fantastic service. And that's the sort of thing you can only do within the London Market framework. If that means that the London Market framework becomes a global framework, because if you can access that directly from Chile, that's something for a London only wholesale broker to worry about, but there really aren't that many of them and they're becoming global wholesale brokers anyway. Just because you can access something from Chile doesn't mean you would, because what if it's a class you don't really know much about, you want to have a bit of hand holding. Say, it's a bit of specie or something that comes through your door, and you only do one of those a year, you want to talk to an expert, that's what wholesale expertise is all about. So, no one's going to cut out someone if they're adding value and they're real experts. It's like 'oh, man, I'm

so glad, because I don't know what to say to my client, this brilliant client I've got. I know all the vanilla business that I do with them, and they've suddenly bought themselves with Picasso, and they want to transport it up into the mountains', it's like 'Oh, my God, can you help me, I do not know what to do and the local market doesn't know how to do it', that's the real added value, isn't it? That's where it's like, 'Oh, thank God for this slightly cranky guy in London, who knows everything there is to know about fine art and Picassos and exactly how to transport it, and what to do with it, and how to dehumidify it or whatever'. So, I don't think you will lose that at all, there's an absolutely no reason why you would lose that, and you would lose those relationships. And of course, you'd have more time, you probably wouldn't do the actual negotiating face to face, but you might negotiate the lead terms face to face, but then he can place everything within three milliseconds after that, in a sort of Dutch auction, it could be fantastic. It's so efficient, and all done, and the cover notes all done, the debit notes are raised, everything's done, and you can start claiming on the policy as soon as it's done. That's the prize, I don't think we'd lose anything.

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Just touching upon this idea of pursuing better together again. Pursuing better together is this idea that there is no real end point, that you're constantly striving to improve your process, improve your practice. In the context of the London Market, it has built up a degree of momentum now, but the key is going to be how it maintains that momentum. How do you see the market building on the momentum that it's created today?

### **Mark Geoghegan**

I suppose it's a culture change. Everyone knows what could be better. If you've done it once, if you've improved once, you know you can do it again. So, it's learning that language of how to improve and how to do it. You need to measure what you've got and then you need to be open to new ideas of how we could do it better and have the institutions there. Every company needs to have these fora and ways of rewarding and incentivising people to do things better. It's about structures and the culture, if you get the culture in place, it will never end. Yes, you will always be improving because you're able to consistently get into a process of measuring, talking about the problems, making sure they're always aired, talking to your customers and your suppliers. It's so important isn't it, and then being always open to new potential suppliers and third-party suppliers in the market, talking to all of them all the time. It's tiring but the incentive is that you're just going to be better, you're going to be a better insurance company than everyone else, you're going to have better customers, you're going to have better loss ratios, you're going to get better bonuses at the end of the year. You need all that incentive. And what more incentive do you need? Do much better than everyone else? That should be incentive enough, isn't it?

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I have a final question for you, which is a question that we ask all of our guests on this podcast series. What would you say pursuing better together means to you?

### **Mark Geoghegan**

Well, I'm a bit of a maverick, I'm just on my own so I suppose I'm just trying to do better with my interviewees. What I'm slowly learning is that you have to listen to them. I can say all these questions, as an interviewer you can have all your questions prepared and you've got a whole list of them in front of you but what you can't do is end up like Cilla Black on good old Blind Dates. You remember, it was question number one to contestant one, question number one to contestant number two, this grid. It can't be a grid because I can prepare these questions anytime I want but they're all on my own, in my bedroom to a week before. No battle plan survives the first shots of war, as long as you're listening. Sometimes I cringe when I listen back to some of the interviews, I think, I didn't realise that this person just said all this amazing stuff, and I just went to the second question, and I should have pursued what they said. Obviously, the job of the interviewer is to listen, and then to clarify, so 'Did you mean this? Or did you mean that by what you just said?', and then to explain and to challenge and say, 'What does that mean? What does that mean now? Wow, I didn't know you did that, so what would that then mean for your business if you'd carried on doing it? I didn't know you were doing that'. So, to follow the consequences, and then to get to a secondary, and a tertiary line of questioning that was not in the original script is not in that. So doing better together would be just to do much better interviews, where you really listen to what they're saying. It's so hard and I've been at it for 17 years, I'm getting a bit better. But sometimes you just lose it all. They say something new, and then you can't think of the consequences or what line of questioning should I do now, they've just said something really amazing, I had no idea they were going to say that.

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As you say, it's all to do with that level of engagement in the conversation with the individual as well, where you forget that it's the interview, and you're simply engaging in a conversation and responding and reacting to what's being said, as opposed to sticking to the parameters of the original set of questions.

**Mark Geoghegan**

Exactly, because you've planned it all out and then you realise it all jumps around and you need to jump around, you need to react to what's in front of you. So, doing things better together, react to what's in front of you, and really pay attention to what's in front of you because again, that's your customer. And that's probably a new product sitting in there so really pay attention then you'll have whole new classes of business.

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Absolutely. I think that's a great point to draw this conversation to a close in a very positive statement as well. I've thoroughly enjoyed our conversation today, you're clearly as engaging as an interviewee as you are an interviewer. I hope that our conversation has given our audience a bit of an insight into both you as a long-standing market commentator as well as your unique perspective on the London Market itself and where it's going and what it could potentially achieve. All that is left for me is just to say a huge thank you on behalf of Arch for joining us today.

**Mark Geoghegan**

Thanks for having me.