

SYNDICATE BUSINESS PLAN PROGRAMME

22 AUGUST - 03 DECEMBER 2019



ABOUT THE PROGRAMME

The LMA Academy Syndicate Business Plan Programme is an interactive and highly practical course that will provide attendees with a thorough understanding of the operation of a Lloyd's underwriting syndicate, based upon the content of the Lloyd's Business Plan.

Delegates will be divided into four 'syndicates' and over the course of the programme will work together developing their own Syndicate Business Plan (SBP). The main objective of the programme is to give delegates a basic understanding of the SBP process covering the following:

- the purposes of the SBP
- key components of the SBP and the critical business decisions they require
- main elements of a business strategy that will be translated into a business plan.

Delegates will be tested on their ability to work in a team to produce and present an SBP in the Old Library to a panel of judges and will also have the opportunity to meet experts from the Lloyd's market in each of the modules. There are 24 places on the programme which are awarded on an application selection basis only. As team participation is a key element of this programme, delegates are required to attend all teaching modules.

Please note: delegates will be required to do at least 50 extra curricular hours working with their team to develop their SBP and prepare their presentation. It is essential to have the full support of their line manager to allow them the time to complete the work.

AUDIENCE

This programme is open to all business areas of the market and we look to have a broad range of skills on each of the syndicate teams. Applicants should have at least 12 months' experience in the Lloyd's or London market. The baseline competence for applicants is the Certificate in Insurance (CII qualification), or an LM1 and 2, or an equivalent qualification relating to their job role.

There are 24 places available, with one place per managing agent (unless there are further spaces available once the deadline for applications has passed). You will be informed as to whether your application has been successful once the deadline has passed. To apply, please [download and complete the application form](#) and email this to lauren.corbett@lmalloyds.com by 17.00 Friday 26 July 2019.

PROGRAMME DETAILS

Date: 22 August - 03 December 2019

Programme: 8 half day modules + an introductory session including 3 extra curricular training sessions

Location: Various locations

Fee: £2,500 + VAT

PRESENTERS

John Constable and Jonathan Besso-Cowan from Searchlight Insurance Training will work with the delegates throughout the programme. Each week, they will be joined by experts from the Lloyd's market in each of the modules.

INFORMATION ON CPD HOURS

This programme is accredited by the CII and qualifies for 35 CII CPD hours.

MODULE INFORMATION

PROGRAMME OVERVIEW

Overview for line managers/sponsors only
Thursday 22 August, 14.00 - 14.45

Overview for delegates
Thursday 22 August, 14.00 - 17.00
LMA Presentation Room,
Gallery 4, Lloyd's

- An interactive training session prior to Module 1
- All delegates are required to attend
- Networking drinks reception at 17.00.

MODULE 3: MARKETING CHANNELS AND DELEGATED UNDERWRITING

Wednesday 18 September, 13.30 - 17.00
LMA Presentation Room, Gallery 4, Lloyd's
Module 3 addresses marketing strategy: how will syndicates identify their customers and their (evolving) needs and what are the most effective ways to distribute products? Innovation e.g. insuretech - presents both opportunity and challenge in this area.

- The purpose and concepts of marketing
- Different customers, different marketing channels
- Distribution options: Direct, brokers, lineslips, binders, consortia, service companies, MGAs, overseas offices
- Delegated authorities
- Coverholder controls: due diligence, audit and control, bordereaux and accounting.

MODULE 6: FINANCIAL PERFORMANCE

Wednesday 09 October, 09.00 - 14.00
LMA Presentation Room, Gallery 4, Lloyd's
The SBP will always show a financial plan, so this final module introduces the processes, tools and language of insurance finance, especially for those who have had limited practical exposure. Module 6 will explore the financial dynamics of insurance and the Lloyd's market including the key financial statements and the key ratios they reveal.

- Insurance economic characteristics and cashflow
- Financial statements and the key performance ratios
- Year of Account v GAAP accounting: when are both used
- The treatment of premium, claims and reinsurance on the balance sheet and technical account
- Written v earned, gross v net.....what do they mean?
- Completing and presenting SBF 100
- Today's environment: underwriting decisions and capital optimisation.

MODULE 1: INTRODUCTION & STRATEGY

Thursday 05 September, 09.00 - 14.00
LMA Presentation Room, Gallery 4, Lloyd's
Module 1 introduces the programme and the topic of strategy: how vision, objectives and critical success factors are created and translated into a tactical business plan. The "numbers" should demonstrate a deliberate - but flexible - approach to achieving a vision of the future. Participants start to use the SBP as a vehicle to better understand the elements required to operate a syndicate at Lloyd's, and how to present it.

- Programme introduction and aim
- Profit, return and risk in the unique Lloyd's market
- The role of the Performance Management Directorate
- The process of creating strategy
- The Lloyd's Syndicate Business Plan: purpose and structure
- A template for presenting a business plan.

MODULE 4: RISK AND EXPOSURE MANAGEMENT

Monday 23 September, 09.00 - 14.00
LMA Presentation Room, Gallery 4, Lloyd's
Underwriting is the business of taking educated risk. Risk management is now a key competence whilst the particular catastrophe exposure of Lloyd's needs to be understood and reflected in the plan. This introduces the language and processes of risk management and explores catastrophe exposure from the perspectives of deterministic and probabilistic modelling. Innovation is included as the flip side of risk.

- The principles of risk management
- Solvency II: risk based capital management and the ORSA
- Understanding catastrophe accumulations and emerging risk
- Lloyd's Minimum standards for risk and exposure management
- Deterministic modelling: Realistic Disaster Scenarios
- Probabilistic modelling: exceedance probability.

MODULE 7: VALIDATING PROPOSED BUSINESS PLANS

Thursday 07 November, 09.00 to 13.00
Lloyd's meeting rooms, Gallery 11
Clinic to verify and stress test aspects of each team's SBP with market practitioners.

MODULE 8: FINAL SYNDICATE PRESENTATIONS

Thursday 28 November, 08.30 to 14.00
Old Library and Adam Room, Lloyd's
Syndicates present their business plans to a panel of judges comprised of senior market leaders.

MODULE 2: UNDERWRITING

PROCESS, STRATEGY AND STANDARDS
Thursday 12 September, 09.00 - 14.00
LMA Presentation Room, Gallery 4, Lloyd's
This module focuses on the underwriting component of the Syndicate Business Forecast. What would a syndicate write, from where and what level of premium should it produce? Our analysis will take a portfolio perspective, echoing Lloyd's focus on performance and realistic underwriting targets. We explore the essential Lloyd's underwriting control environment. A syndicate must be able to justify its underwriting targets therefore this module provides the foundations to the eventual decisions.

- How business is categorised: risk codes and class characteristics
- Proposing new classes and product lines
- Franchise Guidelines and the Minimum Standards
- Maintaining pricing adequacy: loss ratios, reserving, rate change and bridging analysis
- Capacity and capital considerations
- Introducing the basics of portfolio management.

MODULE 5: REINSURANCE

Thursday 03 October, 09.00 - 14.00
LMA Presentation Room, Gallery 4, Lloyd's
Module 5 introduces reinsurance and examines why it is purchased by Lloyd's syndicates within the context of business strategy, capital requirements and the Lloyd's franchise guidelines and monitoring.

- Reinsurance for non-reinsurers
- Pros and cons of buying reinsurance - interaction between capital and outwards reinsurance
- Reinsurance programme strategies
- Lloyd's Franchise guidelines
- Reinsurance and Business strategy
- Reinsurance security
- Reinsurance in the Syndicate Business Plan
- Lloyd's monitoring of reinsurance.

EXTRA CURRICULARS MUST BE ATTENDED BY ALL DELEGATES

SYNDICATE BUSINESS PLAN CLINIC

Friday 25 October, 09.00 - 13.00
LMA Presentation Room, Gallery 4, Lloyd's

SYNDICATE TEAM PRESENTATION PRACTICE

Thursday 21 November, 09.00 - 14.00
Old Library, Lloyd's

POST REVIEW OF SYNDICATE BUSINESS PLANS

Tuesday 03 December, 09.00 - 13.00
LMA Presentation Room, Gallery 4, Lloyd's



A C A D E M Y

The entire SBP programme is immaculately run from start to finish, combining carefully planned and challenging class room sessions with a practical case study that promotes and rewards both innovation and accuracy. I would highly recommend this course to any ambitious insurance professional who has a desire to broaden their market knowledge.

I would thoroughly recommend this programme to any young professional wishing to raise their profile and further their career in the Lloyd's market. It is also an excellent opportunity to meet both contemporaneous peers in the market, as well as senior professionals from managing agents, Lloyd's and the LMA.

Prior to being on this programme I only had a basic insight into the underwriting portion of a Lloyd's Business plan. In light of this programme, I participated to a great extent in creating my own department's business plan, completing a large amount of statistics and using ideas gained during this process.



HOW TO APPLY

There are 24 places on the programme and it is on an application selection basis only. To apply, please download the application form from the LMA website and return to lauren.corbett@lmalloyds.com by 17.00 Friday 19 July 2019.

www.lmalloyds.com/SBPapply

CONTACT

If you have any questions about the Syndicate Business Plan Programme, please contact Lauren Corbett: lauren.corbett@lmalloyds.com.

www.lmalloyds.com/academy