



# GLOBAL BENEFITS VISION

Knowledge Wisdom for Global Employee Benefits Professionals

20 UK Group Risk market update

*Paul Avis*

26 Mobility of workers in the EU and related impact on social rights

*Francesco Briganti*

38 Why companies need to think long term

*Alex Edmans*

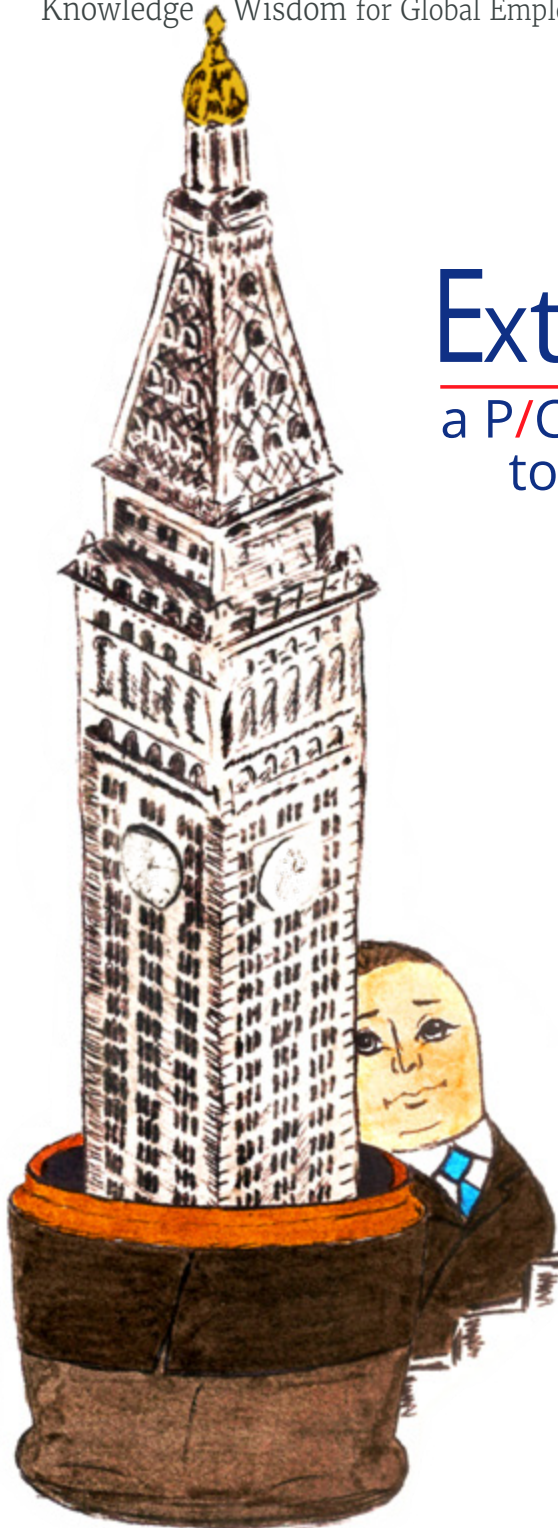


An Interview with Lockton Benefits President Bob Reiff

## Extending a P/C captive to employee benefits

▶ PAGE 08

*Marine Charbonnier, Thierry Mestach*





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Knowledge & Wisdom for Global Employee Benefits Professionals

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# Table of contents

## Extending a P/C captive to employee benefits

**08** *Marine Charbonnier, Thierry Mestach*

**20** *UK Group Risk market update*

*Paul Avis*

**26** *Mobility of workers in the EU and related impact on social rights*

*Francesco Briganti*

**38** *Why companies need to think long term*

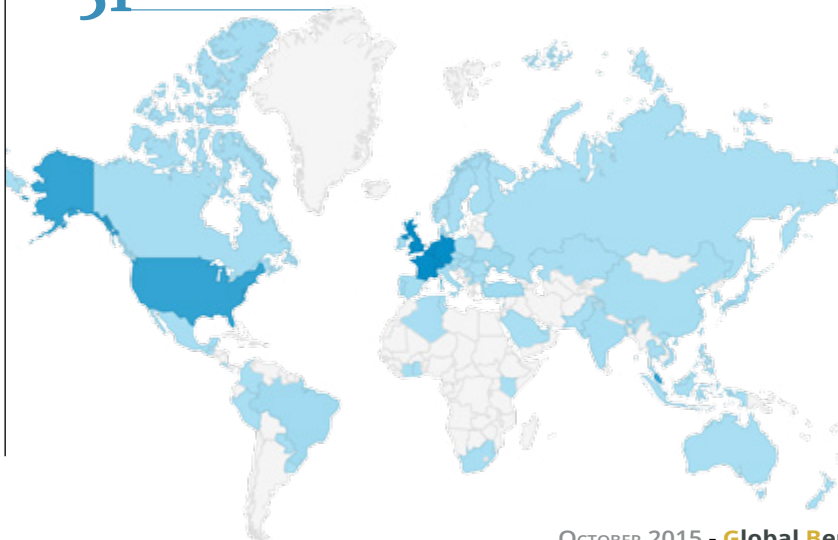
*Alex Edmans*

**42**

*An Interview with Lockton Benefits President Bob Reiff*

**47** *News*

**51**



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## Profiles of contributors

### ROBERT REIFF

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#### LOCKTON BENEFIT GROUP

*President*

Bob joined Lockton in 2010 as Chief Operating Officer of Lockton's St. Louis operation. In 2015, he took on the role of President of Lockton Benefit Group, the company's national employee benefits practice. As such, he is responsible for development and expansion of the company's national employee benefits initiatives. This includes strategic direction, national partnership arrangements, recruiting, and new office development.

Prior to joining Lockton, Bob was with The Hartford since 2004 as Vice President and Director of Distribution in the Group Benefits Division and later as the Senior Vice President and Director of Distribution and Field Service, a role which expanded to include Product, Marketing, and Association.

Prior to joining The Hartford, Bob was Vice President of Sales and Marketing for Standard Insurance Company, where he spent 13 years in roles of increasing responsibility. He has an extensive background in group life and disability insurance. While at Standard, Bob was responsible for directing sales, marketing, product development, training, and ebusiness solutions.

Bob is a graduate of the University of Nebraska, earning a Bachelor of Science in Business Management.



→ PAGE 42 : Interview



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# AN INTERVIEW WITH LOCKTON BENEFITS PRESIDENT BOB REIFF

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*As he eased into his new position of President of Lockton Benefits, Bob Reiff answered the questions of Global Benefits Vision and reflected upon the challenges ahead.*



Bob Reiff

**Global Benefits Vision:** Give us a little background about your career.

**Bob Reiff:** I've only been president of Lockton Benefit Group since January 1 though I've been with Lockton for five years, serving as Chief Operating Officer for our St. Louis operation. Before that I worked closely with Lockton on the carrier side of the business; I worked with two different carriers for a total of 19 years.

The thing that attracted me is the growth that Lockton has experienced over the past dozen years, both domestically and globally. Ten years ago Pam Enright joined us as part of our global practice, so we must have been reading the tea leaves, because shortly after that we acquired Alexander Forbes, which really put us on the map for global benefits. In that time, we've gone from having Pam as a one person team to 25 global benefits consultants and analysts that collaborate with our Producers, client-service teams and global offices to support our multi-national clients.

**GBV:** What were your first priorities on the job?

**BR:** I'm president of Lockton Benefit Group in the U.S., but we serve our clients on a multinational level, and a lot of our growth is coming from U.S.-based clients with business abroad. At the same time, we've been investing in our Lockton-owned offices across the globe. Many of the things we're doing in the U.S. are very applicable outside – our human capital, our consulting on how clients can use their resources most effectively, and the way data and workforce analytics are becoming even more important. I've spent the past several months working closely with Pam and the leadership group to review our current capabilities and establish priorities to advance our business as a whole, looking at our Lockton-owned offices across the

globe, gaining an understanding of where we need to go to meet our clients' needs as well as looking at our global partners and where we need to seek other relationships.

Internationally we have a seven-person global benefits leadership group, including Associates in the United States, Mexico City, São Paulo, and Singapore. Their purpose is to make sure that we are aligning our local strategies to provide our global clients with comprehensive and consistent service, and to consider investment opportunities to expand our global capabilities.

**GBV:** *Why did you want this job?*

**BR:** I interacted with Lockton for years from the carrier side, predominantly at the leadership level. I was always impressed – this is a very

entrepreneurial and client-centric company, and our Producer model and service model facilitate growth. I was always impressed by the high client-retention and the talent and retention level of Lockton's Associates. I traveled to different Lockton offices and saw the quality of the people, their drive for new relationships and also how they serviced the clients. Then when I joined the company five years ago I got an understanding of the mechanics of the business, how the financials work. When Mike Brewer made a decision to retire, I started conversations with senior leadership.

It's a very interesting time inside Lockton. We're going through health reform in the U.S., and there's tremendous opportunity for growth around the globe as well. I feel passionate about the people and the approach to the business—and I wanted to be at the wheel for the future.

**GBV:** *Do you have any plans to acquire other brokers and consultants abroad? How does that process work?*

**BR:** That process begins with looking at the offices we own and our global partners, and sometime we may see an opportunity for an acquisition. We evaluate those as our business continues to grow.

**GBV:** *Since many of your global customers are U.S.-based, do you have any cross-selling opportunities with the property-casualty side of the business?*

**BR:** That's probably one of the strongest plays we have. Much of it has to do with our model, where we look at rounding out the relationships at the client level. Our U.S.-based clients are generating a tremendous amount of activity for our U.S.-based Producers and also our Lockton-owned offices and partners.

Cross-selling is something we do very well. Traditionally we've been a property and casualty-based company, and the nice thing is that we're seeing cross-selling in the other direction as well: outside the United States we're seeing a reverse flow, where our benefits clients are now being referred to the property-casualty side of the business.

**GBV:** *Cross-selling is very difficult to do. Can you describe the things you do that make it possible?*

**BR:** This goes back to our Producer model. Our Producers are not limited to just selling benefits or property and casualty; they are compensated the same for both. Those with C-suite relationships can make inroads into the other side of the business. We also support what we call joint-venturing – if you are a property and casualty Producer with a strong client relationship inside a client or even a prospect related to benefits, you can joint-venture with a Producer that has benefits expertise. Our Producers work together to bring the best resources to the table around the subject matter and that's a model that doesn't put up many limitations.

**GBV:** *What's the number one item on your agenda for 2016?*

**BR:** One priority is making sure we have the right mix of talent here in the U.S. I'm still going through my evaluation and understanding of our capabilities and what we need to prioritize, establishing our priorities for growth and making sure that we have the right talent in place to support our clients. We feel very fortunate that we've been growing in double digits in benefits consistently over the years and feel we are in an enviable position.

Specific to global benefits consulting, there are so few people who excel in this space that it can be difficult to find individuals with the right expertise who are a good fit for Lockton. However, Pam Enright has done a great job pulling in people with the right background in global HR. That's been an area of emphasis for us, along with making sure we have the right pipeline and are making the right investments in technology, in our global partners, and in our Lockton-owned offices in those local markets. It's about making sure that we are sharing knowledge across the borders and really positioning ourselves for success.

**GBV:** *Are you able to find people who already have global experience and knowledge, or are you hiring people who are experts in the U.S. and training them in the global aspects of benefits?*

**BR:** We've been fortunate that we've been able to locate people who have global benefits experience, so more of our senior-level consultants have years of experience in that space. On the flip side, we also have been hiring some entry-level people who have benefits knowledge and coaching them on the global side. There's a mix of resources on the global benefits team, a variety of backgrounds.

**GBV:** *What do you regard as the main challenges facing the industry at large today?*

**BR:** It's helping our clients navigate the compliance and privacy laws that impact employee benefits – that's one of our major challenges but also our greatest opportunity. We operate as an extension of the HR team to support global and local strategies to make sure policies are competitive as well compliant. Governance is critical.

**GBV:** *What about the challenges that carriers are experiencing?*

**BR:** We're experiencing so much change domestically right now, given the legislation and the merger and acquisition activity. The past few months we went from the Big Five to the Big Three carriers. With AIG's acquisition of ING's pooling network, we feel that strengthens AIG, and better positions the network going forward. I do believe we'll experience further consolidations. If you look at Anthem and Cigna, it's going to be interesting to see how that plays out. There's definitely strength in numbers inside the U.S., but what impact will it have outside the U.S.? Within the brokerage community, with Towers Watson and Willis merging – there's plenty to figure out! On paper it seems to make a lot of sense; it lets them leverage their strengths on both sides, and should strengthen their global brokerage capabilities. We expect them to be a stronger global brokerage competitor in the future.

**GBV:** *What do you think of the role of captives? Is it a fad or is it real this time around?*

**BR:** We believe it's a trending interest, not actual activity. I'd equate it to what we've seen around exchanges stateside – plenty of tire-kicking, very little action. There's obviously a continued interest in traditional pooling; there's also interest in having the best pricing on the front end. There too, it's being looked at but we're not seeing the activity, the execution. We do have clients with captives, though we're not seeing many new captives right now. ∞

