



 **INSTECH**

**In conversation with  
STG's Paul Campbell**  
on driving higher  
performing insurers

In partnership with: **AON**



## Paul Campbell

Global Growth Officer

**Aon's Strategy and Technology Group**

*Paul spoke to InsTech Executive Chairman Robin Merttens at the Aon-sponsored InsTech event 'How to optimise your underwriting portfolio' on the 25th April 2023. They discussed how STG is driving higher performance by helping organisations navigate volatility and seize opportunities.*

### **Robin: What is Aon's Strategy and Technology Group?**

**Paul:** The Strategy and Technology Group (STG) was formed by Aon in September 2022. Essentially, we combine consulting and software to provide actionable insights. This means taking a holistic view to help insurers define and achieve long-term strategic goals. In addition, we bring the ability to execute on tangible market opportunities.

STG consists of over 500 employees globally, all focused on helping insurers, reinsurers and other companies in the industry navigate volatility, improve business performance, grow profitably and optimise their capital.

### **Robin: Is STG an advisory business, a technology provider or a combination?**

**Paul:** Absolutely both. STG's consulting team specialises in various disciplines, focused on helping clients achieve tangible outcomes. Our technology suite is vital to how we do that, and it enables us to embed lasting and sustainable change in our clients' business processes.

### **Robin: What services does STG offer its clients?**

**Paul:** Our consulting teams support clients with strategy, actuarial operations, finance and claims. Regarding technology, we deliver financial modelling solutions to automate processes and deliver real-time analytics.

STG's technology solutions, Tyche, ReMetrica and PathWise, are used by more than 250 property, casualty and life insurers globally for pricing, reserving, capital modelling, dynamic hedging and risk management. We also have a claims quality management platform, Inpoint ClaimsMonitor®, to assess and analyse claims handling, which on average helps reduce our clients' claims leakage (when insurers spend more on claims due to inefficiencies) leading to 2-4% savings in loss ratio.

### **Robin: What sort of clients does STG work with?**

**Paul:** STG serves companies across the insurance industry, and we are also here to help anybody interested in the industry. We can help private equity companies with commercial due diligence support in acquisitions, investors bringing new capital into the insurance market, large corporates looking to create embedded insurance solutions for their clients or governments aiming to close the insurance protection gap and build resilient economies.

**Robin: Can you give an example of a strategy-related project STG is working on?**

**Paul:** Examples of our strategy consulting work range from helping companies develop a five-year global strategy or understanding their competitive positioning to creating a plan to transition their underwriting portfolio to net zero or build a resilient workforce.

Currently we are helping a large global composite insurer (a composite insurer underwrites both life and non-life insurance) with its innovation strategy. That has involved firstly thinking through the macro-level trends that will have the most profound impact on the insurance industry and their business model, and secondly understanding how they create commercial opportunities from those trends by developing new solutions for existing and potential clients.

**Robin: Can you give an example of how STG clients use your technology?**

**Paul:** We recently implemented a software solution for one of our clients involving a new pricing and underwriting system, which included automated data ingestion technology using machine learning. The client can now generate quotes more quickly and capture all the pricing data it needs for real-time portfolio monitoring to make better business decisions.

In another example, we recently delivered reserving technology as part of a finance transformation project for a global insurer. The technology automated the insurer's entire reserving process and provides the results required by IFRS-17 (the international financial reporting standard for insurance contracts) and regulators.

**Robin: Could you explain more about STG's actuarial practice?**

**Paul:** STG has over 100 actuaries, around a fifth of Aon's STG colleagues overall. They have expertise in reserving, pricing, capital modelling and Solvency II (the legislation covering insurers' capital requirements) requirements, as well as helping clients integrate STG's technology suite. Our actuaries specialise in working with clients to solve their most complex commercial questions by analysing vast data sets and generating insights.

**Robin: What is your ask from the InsTech audience?**

**Paul:** Please reach out to us via [www.aon.com/STG](http://www.aon.com/STG). We are always interested to speak to businesses that want to grow, build a workforce for the future, better deploy capital and boost their customer relevance. We can help them make better decisions. We are also looking out for new colleagues, passionate people in the insurance industry who can help our team grow.



**Aon's Strategy and Technology Group (STG)** brings together insight and software solutions to help insurer/reinsurer clients make better business decisions. Through our tailored discovery approach, we deliver highly customized solutions with a focus on exploring profitable opportunities, boosting enterprise efficiency and driving financial health to help our clients build and manage more resilient companies across Property & Casualty and Life.

For further information, or to contact STG, please visit [www.aon.com/STG](http://www.aon.com/STG)

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