Happenings

Early in the summer I attended the Law Debenture Debate. This is one of the London events that is so popular it invariably has a waiting list. The Motion was:

> "This House believes that pensions would be better off without politicians"

and the debating hall was packed. (Please turn to page 76 if you are interested in seeing a synopsis of the debate.) Afterwards I enjoyed seeing Danny Wilding, a partner of Barnett Waddingham, who represents his firm on EURACS -European Actuarial Consulting Services. Danny has been at Barnett Waddingham man and boy having joined as a trainee straight from university. He has seen the firm expand from 50 to over 500 - there are now 50 partners. Danny reminded me that Nick Salter represents the firm on NORACS North American Actuarial and Consulting Services - which has six US, two Canadian and one Mexican member. I also had a rare opportunity to catch up with Anne Jones, who began her pensions career with Wyatt Harris Graham in London on Malcolm Ballisat's team and who was one of the group, led by John Hough, that founded Aspen in 1988. In 2007 the firm was bought by Capita Hartshead where Anne is Pensions Director.

• •

I have known Eric Müller-Borle ever since he was Head of Strategic Planning Assurances France at AXA and subsequently CEO of MAXIS working from the Paris end. I had lost track of him so you can imagine my delight when he contacted me out of the blue to say that he was coming to London and would like to take me out to lunch. Since I'd last seen him, Eric has been CFO and Company Secretary of Kneip Communication in

Luxembourg and then

Chief Financial Officer of ESI Group, a virtual test software package publisher in Paris. I am pleased to say that he is now back in our field acting as a consultant.

+ +

The following week I took the Eurostar to Brussels to interview Jim Wallace, Chief Executive of Insurope (see the Q&A on pages 78-79), and attend the IGP Seminar. Brussels still seems to be a great city in which to hold a conference, with its excellent communications and historical buildings, but to find a new gala dinner venue can present quite a challenge. IGP chose Bruxelles en Scène in the Galerie de la Reine arcade, which was a fun way to start the evening. The tour gave me an opportunity to talk to Paul Cutter, CEO of Euroben, who has recently moved from Guernsey to Dublin (see 'People on the Move' on page 71 of this month's issue). Then I met Lisa Cranfill, Director, Global Benefits at Invensys, based in Dallas, who was on a business trip to Europe and able to take in the IGP Seminar. Her company is a technology, software and consulting business that applies advanced technologies to facilitate the safe and efficient operation of large industrial plants, such as oil refineries, fossil fuel and nuclear power stations, and petrochemical works. At the end of the tour we arrived at Théâtre du Vaudeville. The tables for dinner were named after Belgians who had excelled in their particular fields. Peter de Vries's table, at which I was sitting, was called after Eddy Merckx, a former professional cyclist who won the Tour de France five times, the Giro d'Italia also five times and the Vuelta d'España once. As Head of IGP, Peter and his partner Anita were our hosts for the evening. Mark Cook, who is Senior Consultant in Towers Watson's International

Consulting Group in London, Peter and I discussed the extent to which the new-style MAXIS, post MetLife's acquisition of ALICO, and Zurich's new co-operative arrangement with AIA in Asia might affect the overall multinational pooling picture. Despite multinational pooling having been pronounced 'dead' 20-odd years ago, it is, in fact, going from strength to strength. There is still scope for overall growth as well as opportunities for some networks to overtake others. Damian Fadden, Director - Sales & Marketing at Irish Life in Dublin whose panel session I attended (see pages 56-57 of my report), delighted others at the table with a photograph of his young son. Among other subjects, Damian and I talked about Queen Elizabeth's visit to Dublin, which was happening the same week as we were in Brussels, and how it signalled a promising new era in Anglo-Irish relations after all the difficulties of the past. The food was well up to Belgian standards, starting with Ostend shrimp croquette, accompanied by lettuce espuma and fried parsley, followed by Malines chicken fricassee with mushrooms, asparagus and Belgian frites and concluding with a medley of ginger biscuit, Brussels waffle and strawberries, vanilla ice-cream and hot chocolate sauce, vanillaflavoured whipped cream and meringue. At the time I felt it was unlikely I'd be remotely interested in food the next day but, as witnessed by Damian, I couldn't resist the doughnuts on offer in one of the breaks - Belgian doughnuts bear no resemblance to an Anglo-Saxon doughnut and are both incomparably lighter and smaller, so you can talk yourself into having two. They reminded me of New Orleans beignets - need I say more in praise! I was pleased to come across Norbert Lochmann who is now with Marsh in Milan, having been appointed Multinational Benefits Leader for EMEA last January. Despite his

name, Norbert is Italian, being part of the pocket of German speakers in Italy's South Tyrol region. I was also pleased to be able to chat to Dieter Korte who is to retire from Lufthansa in Frankfurt in July, where he has been in the international employee benefits practice team for many years. Martin Schmatz, who has taken over the role of Senior Manager, Employee Benefits International, was also at the Seminar (see our announcement on page 71).

• • •

It is a few years since I've made my way to a CIPD Central London 'Reward' Special Interest Group but Sylvia Doyle, who works on her own account and is Chairman of the Reward SIG, invited me to hear Duncan Brown, Principal, Reward and Engagement, at Aon Hewitt in London, speaking on 'Reward in an Age of Austerity While primarily focused on the UK, he also had interesting data on Continental Europe. It was heartening to find that, while companies like Jaguar had been obliged to impose pay and benefit cuts at the time of the world recession, they had subsequently been able to restore pay levels. When Aon Hewitt asked employees if they would be looking for a job in the next six to 12 months (a good predictor of employee turnover), those in the Netherlands and Belgium had the lowest figures and those in the UK and the Republic of Ireland the highest. In sharing data on employee engagement, Duncan explained that the gap between companies with high and low levels of engagement had tended to increase during the recession. He also showed some of the evidence of the relationship between employee engagement and company performance. Bonus was, of course, a big area for retention but he observed that bonuses could work too well (for example, in

contributing to the behaviour of pre-crash City of London traders in some firms). However, bonuses could be considered useful for focusing attention. Burgess and Metcalfe at Bristol University had carried out a meta-analysis on the motivational impact of bonuses. When asked about pay disclosure (for example, gender pay gaps and internal pay differentials), Duncan said that, if this was carried out in a consistent format, it could be beneficial and the scope for press misinterpretation would be very limited. In the audience was Mark Law, whom I normally see at IEBA / Double Century Club meetings a compensation and benefits specialist and well versed in international HR. He has recently finished a two-year project with Thomson Reuters and spoke about the importance of distinguishing between 'equal pay' (a legal requirement) and 'fair pay' - a more recent phenomenon that is attracting a great deal of attention and where HR has an important contribution to make. I then talked to Philip Hutchinson, Managing Director of RePosition, who also carries out consulting projects across the board under the banner of 'Anticipate, Adapt to and take Advantage of change'

+ +

٠

Tim Johnson, Managing Director of Gallagher Risk & Reward, a specialist employee benefits consultancy based in London, that was bought last year by Arthur J. Gallagher, global brokers, invited me to meet him at the Royal Exchange, whose architecture lends itself to fine dining. We lunched at Sauterelle, which provided a delectable table d'hôte menu, and while enjoying soft drinks shared stories of what lunches used to be like in our younger days (and I go 10-15 years further back than Tim does) when one thought nothing of a gin and tonic followed by wine. Tim

recalls a fairly lethal cocktail called a Moscow mule. However, there is no doubt that restaurant food nowadays is a great deal more appealing than when either Tim or I started work, so the lack of alcohol is incidental. Tim's parent company has recently acquired Heath Lambert, which has 16 UK offices – quite a strategic move (see page 68 for further details). specialized. There will be a small number of sought-after clinicians particular procedures and patient will need to travel to them. It is the internet that has changed things, although outcome information (vit in making a good decision) is not to be able to go wherever the treatment is available. This is why

•

I first heard Ron Buchan's name in conversation with Frank Randall, who has recently been appointed a non-executive director of UK-based international financial adviser The Alexander Beard Group plc. This reference was made around the time that Ron, together with Claude Daboul, was setting up Allianz Worldwide Care in Dublin. I therefore jumped at the opportunity - 12 years down the line - to meet them one Friday morning at the Ritz. Ron, who is CEO of Allianz Worldwide Care, shared with me some of the clinching reasons for Dublin having been chosen for the headquarters in 1999. Not least among these was that the Irish Republic was in the EU yet was not a major market for Allianz, the German parent company, and that highly educated employees with a range of foreign languages were plentiful. Claude, who is Director, Sales, Marketing & Operations, a member of the board of management and also a linguist, listed the Allianz Worldwide Care languages as English, French, German, Italian, Spanish and now Portuguese (mainly because of Brazil), with Mandarin and Arabic coming on stream. Allianz Worldwide Care started from scratch with no clients and specializes in the corporate market. However, 20% of its business is individual. Ron expects more and more people to want international, as opposed to local, health care as medicine becomes increasingly

number of sought-after clinicians for particular procedures and patients will need to travel to them. It is the internet that has changed things, although outcome information (vital in making a good decision) is not generally available. Individuals want to be able to go wherever the treatment is available. This is why companies will sometimes provide local employees as well as expatriates with international cover. In commenting on the fact that 80% of Allianz Worldwide Care's business is corporate, Ron believes this part of the market will always be largest because each extra client represents so many individuals. Nonetheless, the better-off will seek out international cover, especially in Asia and Latin America where health-care delivery is patchy. With ageing populations, reducing tax bases, medical inflation and the prolongation of life via drugs. governments will increasingly want to regulate health-care delivery but not pay for it. In France and Germany this is acknowledged to be a political issue and the public sector has a formal relationship with the private sector, whereas in the UK there is antipathy to privatization, which has led to duplication and waste. Initially, Allianz Worldwide Care was an insurer of expatriates but it then began to offer health care with no geographical restrictions sans frontières. A client-focused company with 414 employees, it grew by an enviable 34% in 2010. With many companies finding their domestic markets difficult, Claude observes that they are looking outwards for growth - to South America, Asia and Africa.

When I first met Michael Beatty at an IPEBLA Conference, held in Athens in 2009, he was Deputy Head of Corporate Trust at The Butterfield Bank in Bermuda.

٠

4

٠

Since Bermuda is an island I got to know in the heady days when international conferences used such locations as venues, I'm always looking for an excuse to return. A Canadian-gualified barrister and solicitor, Michael is now living and working in London and, as we both have a love of Indian food, we met at the Cinnamon Club. Despite only having been based in the UK for a year or so, Michael was able to recommend a Punjabi restaurant in Whitechapel, not far from Brick Lane - an area of London synonymous with the best food from the Indian subcontinent. I wanted Michael to tell me about his firm. Bluefin - brokers and consultants, with 2,000 employees in 60 offices spread around the UK - is financially backed by the AXA Group and, if you don't recognize the name, Bluefin brings together the insurance businesses of Venture Preference, incorporating Stuart Alexander, Smart & Cook, Layton Blackham, The Davis Group and SBJ UK, along with the advisory businesses of Thinc, PIFC, EB Consultants, ORBIT Benefits Ltd and SBJ Benefit Consultants, hence the number of employees and offices. Michael is a consultant in the international division of Bluefin Corporate Consulting.

Irena St John-Brooks