

## INTERVIEW



## A refined strategy for success

As the risk landscape changes, Marsh forges a new strategy to meet its clients' needs, efficiently utilising its resources and tapping into new markets, says **Mr Christos Adamantiadis**, CEO of **Marsh Middle East and Africa (MEA)**.

By Osama Noor

Marsh has taken a significant step forward this year by combining the Middle East and Africa regions under one portfolio – when they used to operate independently, said Mr Adamantiadis. “The new geographical region, called MEA and comprising 15 countries, is probably the largest region any regional broker covers.”

Scaling up the business is the main motive behind this move, but the underlying impetus was the growing business and trade interaction between the two regions, he said. “More businesses are expanding into Africa from the Middle East, and a lot of businesses from Africa are expanding into the northern part of the continent and into the Middle East. There are close synergies between the two regions in trade, investments and M&A activities. Our clients are seeking risk advice and risk solutions across both regions, and we want to offer products, risk transfer and consulting services that fit their needs and help them grow their business.”

He said there is a growing appetite for African risks in the Middle East market. “The DIFC markets have a bigger appetite for African-domiciled risks, and we are uniquely positioned as a broker to capitalise on that.”

Aside from the client benefits, internally there are best practices and optimised operating models that can be capitalised on within this broader geographical region. “Now we have the opportunity to cross-pollinate. We are able to export some of the best practices and expertise from Africa into this region, and vice versa. We have in place many great ways of working in MENA which we can share and utilise in the rest of the region. Ultimately, both internal and external factors work harmoniously towards client-centricity.”

### Changing risk landscape

In order to strengthen its position in the region, Marsh seeks to understand the risk landscape and its changes, on micro and macro levels, from its clients' perspective, said Mr Adamantiadis.

From a macro perspective, interstate conflicts and employment risks stand out as main concerns for doing business in MENA, he said, noting that the risk of energy price shock is also relevant to the region. “Liquidity constraints are another challenge. We are hearing from our clients that cash flow is constrained, which has knock-on effects in terms of investments and growth prospects. At a different level, cyber risk has become more prominent with companies becoming more aware of its threats and how susceptible they can be to cyber attacks.”

On a micro level, there is growing awareness of business interruption (BI) and its associated risks, supply chain disruption, transactional and M&A risks, he said. The interconnectivity of the world and of trade is really starting to manifest itself – the effects of a Nat CAT halfway around the globe can have dire knock-on supply chain implications for an organisation in MENA for instance.

### Growth drivers

Following the acquisition of JLT, Marsh will focus on organic growth by leveraging its capabilities and unrivalled understanding of emerging risks as well as the overall risk landscape globally and in the region, said Mr Adamantiadis. “Marsh is looking to deepen its penetration in specific industries where we feel we have a strong advantage and specialisation. Through our in-depth industry knowledge, we want to be able to protect our

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**Mr Christos Adamantiadis of  
Marsh Middle East and Africa**

clients’ business and thus enable them to focus on what is important to them – growth.

Other strategic growth streams for Marsh in MEA include growing the company’s footprint in the middle market space. “Marsh has always been a big player in the risk management space which encompasses large global and international organisations or big regional players. That is a big segment where we are continuing to grow, but our intent is to now focus on the next segment, which is commonly known as the middle market segment. Here is where we see real opportunity to provide clients with differentiated value.”

Marsh’s presence in the middle market is more modest, he said. “This includes clients who either did not buy a lot of insurance and now have growing insurance needs, or were serviced by local or regional brokers. As clients’ sophistication, business complexity and risk awareness increase, they seek more professional advice, tailored consulting services and cutting-edge products – which is exactly what we strive to achieve.”

Secondly, Marsh is looking to increase its geographical footprint in MEA. Presently, the company’s region includes seven countries in the Middle East and eight in Africa.

The company is looking at expanding its product footprint by investing in new specific areas of expertise, he said. “A good example is the establishment of a ‘China desk’ to pursue Chinese investments in MEA as a significant volume of Chinese investment is entering into the region.”

Product-wise, Marsh plans to focus on expanding certain lines in the region such as aviation and power as well as grow its consulting activity. “Another interesting area where we are seeing more activity is warranty and indemnity (W&I) policies and tax liability insurance which stems from increased M&A activity. Our consulting arm does amazing work in areas such as enterprise risk management and cyber consulting, property valuations, business resilience, risk engineering services and claims stewardship – these are all areas where we see great growth potential in the region.”

#### **Investing in business enablers**

Marsh believes in building the right talent funnel and is heavily investing in its talent programmes, said Mr Adamantiadis. “We are recruiting top talent from other Marsh offices and hiring strategically from the market. We have also designed a very ambitious graduate

programme – this year alone, we have hired 30 young graduates straight out of university to take on positions in all areas of the firm. The graduate programme brings a different kind of momentum and a fresh mindset to the business. Moreover, we are accelerating our national graduate programmes – Marsh Academy in Saudi Arabia and Al Nukhbah in the UAE. “Marsh has been in this region for over 40 years, and we believe strongly in building local talent and offering promising and ambitious careers to nationals.”

“Data and analytics is an area where Marsh has a strong advantage as we are able to collect and mine data that provides clients with actionable insights. We have established a data hub in Saudi Arabia for our health and benefits business and are supplementing this with technology that can enable clients to make informed decisions on their medical plans now and in the future,” he said.

#### **Repositioned for a better future**

There is a rising awareness of risk mitigation and a growing trend toward business resilience with clients in the region. “As we shift our centre of gravity from conventional broking to strategic risk advice, we plan to respond with agility to the growing demand for consulting services, which complement the traditional risk transfer dimension,” said Mr Adamantiadis. “Clients are looking for more sophisticated solutions, and we are able to provide that along with access to global markets where local or regional brokers are unable to trade. Moreover, clients have not only Marsh but the entire suite of Marsh and McLennan (MMC) capabilities at their disposal. This is a unique attribute, and we are working with the other MMC entities (Guy Carpenter, Mercer and Oliver Wyman) to provide holistic solutions where other professional services firms cannot.”

We live and work in a rapidly changing, dynamic world – and this is the new normal, he said. “It is thus imperative that we keep ahead of the pace of change. This is a very exciting time for our colleagues and for the industry as a whole. As the risk landscape evolves and new risks emerge, this presents Marsh with opportunities for accelerated growth. More importantly, this enables us to help our clients – from large, complex, global organisations to smaller local or regional enterprises – successfully navigate through their challenges and opportunities.”