
TOP 10 BROKERAGES

Australia's finest insurance brokerages at last have the rankings which reward their efforts, as *Insurance Business* launches its Top 10 Brokerages and names Australia's finest insurance intermediaries

The hard work of insurance brokerages will no longer go unrewarded. The inaugural *Insurance Business* Top 10 Brokerages ranking has, for the first time ever, offered an independent ranking of the very finest firms in the brokerage space. It is a landmark moment for insurance broking in Australia and sets the marker of achievement for every brokerage to aspire towards.

So often it feels like the tireless and professional work of the best insurance brokerages is ignored. Public trust reports place insurance brokers lower down on the list than they deserve and while we are unable to reward every worthy broker (as that is effectively all of the broker community in Australia) we have made the step to reward the Top 10.

Those who make the ranking will be able to carry the *Insurance Business* stamp of achievement everywhere they go and be able to further reassure potential clients that they are dealing with a brokerage who has excelled in the marketplace.

As ever, we welcome your feedback on this ranking

So often it feels like the tireless and professional work of the best insurance brokerages is ignored

and our approach, but by using an objective system of measurement, we hope there can be few arguments over the firms which have made the list.

There is a wide range of brokerages in the Top 10, from all around the country, of difference sizes and with an eclectic mix of focuses. It was also great to see that many of the firms had vast charitable interests and were so willing to give back. That charitable ethos was almost unified across all brokerages and we should be incredibly proud that the insurance broking industry does so much for worthy causes.



“Since 2008, the group has allocated a percentage of profit to be invested into community and charitable pursuits as part of our ‘triple bottom line initiative’”

MGA Insurance Brokers

| | |
|----|--------------------------------|
| 1 | MGA Insurance Brokers |
| 2 | Mega Capital |
| 3 | Roderick Insurance Brokers |
| 4 | Unity Insurance Brokers |
| 5 | Insurance Advisernet Australia |
| 6 | Brookvale Insurance Brokers |
| 7 | Lea Insurance Brokers |
| 8 | Scott Winton Insurance Brokers |
| 9 | LTM Risk Partners |
| 10 | BJS Insurance Group |

COMPANY GROWTH

| | BROKERAGE |
|---|----------------------------|
| 1 | LTM Risk Partners |
| 2 | Roderick Insurance Brokers |
| 3 | Unity Insurance Brokers |

TOTAL REVENUE

| | BROKERAGE |
|---|--------------------------------|
| 1 | Insurance Advisernet Australia |
| 2 | MGA Insurance Brokers |
| 3 | Unity Insurance Brokers |

CLIENT RETENTION

| | BROKERAGE |
|---|-----------------------|
| 1 | Mega Capital |
| 2 | LTM Risk Partners |
| 3 | MGA Insurance Brokers |

POLICIES WRITTEN

| | BROKERAGE |
|---|--------------------------------|
| 1 | MGA Insurance Brokers |
| 2 | Insurance Advisernet Australia |
| 3 | Roderick Insurance Brokers |

METHODOLOGY

The *Insurance Business* ranking system is an entirely objective means of ranking the best performing insurance brokerages in the country. Due to the advanced and detailed information needed, each brokerage had to supply their own details to *Insurance Business* to be eligible. When we talk of performance though, this is not just about the biggest firm with the most resources. We aimed to reward the smaller firms punching above their weight. In total, there were eight measurements, covering:

- total revenue
- policies written
- revenue per broker
- policies per broker
- new clients per broker
- new revenue per broker
- company growth
- client retention

Every brokerage who entered was then ranked in each of these measurements and the sum of all of their rankings were added together.

The brokerages were then placed in order of who had the lowest overall score (think of it as a golf score,

where having higher rankings in each section means you have a lower total score).

By inviting only locally-headquartered brokerages to enter (excluding the giant global brokerages) and ensuring that the majority of our measurements rewarded business per broker rather than just critical mass, the very best brokerages were rewarded rather than just those producing a critical mass of business (one of the top five has less than 10 brokers working for them).

“At IAA, we passionately believe in making a real difference and sharing our prosperity to leave a social legacy. Alone we contribute over \$200,000 each year to community and charity groups”

Insurance Advisernet Australia

REVENUE PER BROKER

| | BROKERAGE |
|---|--------------------------------|
| 1 | MGA Insurance Brokers |
| 2 | Unity Insurance Brokers |
| 3 | Insurance Advisernet Australia |

NEW CLIENTS PER BROKER

| | BROKERAGE |
|---|--------------------------------|
| 1 | Mega Capital |
| 2 | MGA Insurance Brokers |
| 3 | Scott Winton Insurance Brokers |

POLICIES PER BROKER

| | BROKERAGE |
|---|----------------------------|
| 1 | Roderick Insurance Brokers |
| 2 | MGA Insurance Brokers |
| 3 | Unity Insurance Brokers |

NEW REVENUE PER BROKER

| | BROKERAGE |
|---|-------------------------|
| 1 | MGA Insurance Brokers |
| 2 | Mega Capital |
| 3 | Unity Insurance Brokers |

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BJS Insurance GroupBILL DE VOS,
MANAGING DIRECTOR**What is unique about working at your brokerage?**

As a result of our marked growth, we provide opportunities for advancement within our organisation. In any event, the only proper way to answer this question is to interview our staff, which I always welcome. We have an open door policy at BJS – if there is an issue or idea which is important to a staff member, we listen.

What challenges has your brokerage successfully navigated in the past 12 months?

There are a number of challenges, but here a few: continuing to build our national profile, which has created HR challenges in Queensland and South Australia, as well as a greenfield start in WA; structuring a very successful national Professional Indemnity Insurance facility for Architects, despite fierce competition; and a significant IT upgrade on a national platform.

What would you change in the insurance industry to enable insurance brokerages to flourish further?

My answer in relation to this is frank, if not brutal. On a daily basis, insurers seek the opportunity to underwrite more business, however, their distribution channels just don't always work.

Insurers rely on distribution channels such as Sunrise Exchange, but BJS are the insurance broker to a number of significant insurance buyers, whose risk profiles demand that we must negotiate on a face-to-face basis with insurers in order to convince them to support our underwriting submissions.

Insurers provide access to BDMS who are not qualified to understand the risk profiles we present and, mostly, have no authority to provide solutions. I have said earlier that insurance broking is based on relationships, yet insurers don't seem to empower their staff to engage in such relationships.

What will change in the insurance industry in the coming year?

From our point of view, the single major change will be the proposed float of the Steadfast Group. From an insurance broking perspective, this float will potentially lead to a period of significant ownership change of insurance brokers, as well as amalgamations, mergers and acquisitions.



Bill de Vos



Rod Tancred

09

LTM Risk PartnersROD TANCRED,
EXECUTIVE DIRECTOR**What makes a good insurance brokerage?**

Many things. First and foremost, though, you must have the right team around you to provide quality service and advice to your clients.

Why do you feel your brokerage was able to make the list? What sets your firm apart from rivals?

We were formed in 1972 as an arm of an accounting & financial planning group. Very strong corporate and financial management of our company has allowed us to maintain strong and healthy growth. We also have clear, ongoing strategies for the growth of our business, which has often led to us being referred to by industry peers as being “very innovative and progressive.”

What challenges has your brokerage successfully navigated in the past 12 months?

Natural disasters in the local market has put significant pressures on insurers and tested their capabilities not only to deal with losses and the claims process in a timely manner, but understand the significant negative perceptions that are created from not accepting liability for large flood losses. Developing our claims staff to deal with these market pressures has been a challenging but rewarding process. The reluctance of insurers to be open minded in their underwriting philosophy has meant that we have had to turn to newer, unconventional insurance programs to fulfil client needs.

How do you compete with some of the large global brokers who have a presence in Australia?

We manage very well against global brokers. One of our latest projects is in direct competition to one and we have made outstanding progress. Good medium-sized brokers offer real value to those clients who usually deal with internationals. Large clients have a preference to be a large fish in a small pond rather than the reverse. They see real value in being important in a medium-size broker than possibly being lost in an international.

What targets have you set for the next 12 months?

Client service to support retention, which should always remain paramount; developing our technology to assist in new markets; and looking for the opportunities that will be created in an ever-changing industry.

08

Scott Winton Insurance Brokers

RON TATARKA,
MANAGING DIRECTOR

What makes a good insurance brokerage?

An ability to listen to and understand their clients' needs, as well as seeking expertise from professionals in the industry in order to provide the best possible outcome while not compromising the level of cover over price.

Why do you feel your brokerage was able to make the list? What sets your firm apart from rivals?

Established in 1992, Scott Winton has earned a reputation for integrity, professionalism and responsiveness. Backed by Steadfast, Scott Winton prides itself on its service, performance and genuine commitment to its valued clients.

What is the primary value of using an insurance broker compared with going direct?

When not dealing with one specific company, there is the ability to obtain a variety of quotations together with the level of experience and knowledge gained through having over 20 years of experience, which is superior to direct companies.

How do you go about competing with some of the large global brokers who have a presence in Australia?

Whilst maintaining the independence and personal touch of a local broker, Scott Winton has a large pool of industry specialists to draw upon, ensuring the highest quality products and services, and providing optimum value. Our business structure is designed to put the client's needs first. If specialist expertise is required, our clients are referred to our network of independent consultants, surveyors, valuers and risk management experts. Our focus is on fully protecting clients and making sure the cover provided is the widest possible for the premiums charged.

What will change in the insurance industry in the coming year?

The insurance industry is changing in a number of ways: the industry is contracting by virtue of a range of mergers and takeovers; the way we do business is changing through the application of digital media; and the demands and expectations of the clients are increasing.



Ron Tatarka



Dennis Keating

07

Lea Insurance Brokers

DENNIS KEATING,
CEO

What makes a good insurance brokerage?

One that can develop successful relationships with clients and underwriters.

Why do you feel your brokerage was able to make the list? What sets your firm apart from rivals?

I believe we strive to exceed our clients' expectations and have developed a reputation we are proud of.

What is unique about working at your brokerage?

Our people are clear about our aims and objectives, and opportunity for advancement is always available.

What challenges has your brokerage successfully navigated in the past 12 months?

Achieving the right staffing levels when the loss of large clients to the GFC impacted us heavily.

What would you change in the insurance industry to enable insurance brokerages to flourish further?

The government has tried to make retail insurance more transparent: we offer advice across a range of policies and companies. I feel that retail products should not be marketed by direct companies and brokers adding value with advice and claims assistance is essential.

What is the primary value of using an insurance broker compared with going direct?

I believe brokerages have more experience in their staff than direct insurers. Using the internet or phone marketing adds no value or advice to clients.

How do you compete with some of the large global brokers who have a presence in Australia?

Larger brokers can often make our job difficult, as they have special deals with underwriters. Overall, though, we offer a better quality of service across our whole client base and, with support from underwriters, we are able to compete in our chosen markets.

What targets have you set for the next 12 months?

We will explore the possibility of small acquisitions and aim to grow the business organically by 10%. Many of our staff are involved in study programs and we expect to be in a good position to promote from within.

06

Brookvale Insurance Brokers

CRAIG OLOFINSKY,
GENERAL MANAGER

What's your reaction to making *Insurance Business' Top 10 Brokerages* ranking?

It's nice to be recognised amongst our peers. We don't normally participate in or seek industry recognition.

Why do you feel your brokerage was able to make the list? What sets your firm apart from rivals?

We are placed in the middle of the client spectrum with a mix of large and small clients. We place a strong emphasis on client retention and value receiving referrals from existing business. Across our office there is a willingness to always go that extra yard to assist clients. We have a successful business model that has gone from strength to strength over the past 30 years.

What is unique about working at your brokerage?

We have a great team of people and a geographical location that assists in attracting and retaining staff who appreciate being able to work near home. We encourage all staff to achieve their goals – as they grow, we grow.

What challenges has your brokerage successfully navigated in the past 12 months?

The median age of our team in recent times was close to 55, and succession planning was an issue. This has now changed. We have a youthful yet experienced team that is out looking for opportunities and will take the business forward.

What is the primary value of using an insurance broker compared with going direct?

In everything we do, we act on behalf of our client, not the insurer. In discussion with the client, we can provide advice and help a client understand the risks they face. A good broker has access to many different markets and policies and is able to create an insurance program that meets the clients' needs, whereas the direct markets sells only what they have within their suite of products. In the event of making a claim, we are here to help, but the direct clients are on their own.

What targets have you set for the next 12 months?

We are looking to attract more good quality authorised representatives into our business. We will continue to work smarter and celebrate our 30th year in style.



Craig Olofinsky



Adrian Kitchin

05

Insurance Advisernet

ADRIAN KITCHIN,
MANAGING DIRECTOR

What's your reaction to making it into the *Top 10*?

It is excellent to know that we are in the top 10 brokerages. Naturally, we're competitive, although we see rankings as a by-product of delivering on our promise of excellent insurance advice.

What makes a good insurance brokerage?

Having a culture amongst advisory staff of offering high quality and relevant advice, rather than simply a cheap price.

Why do you feel your brokerage was able to make the list? What sets your firm apart from rivals?

Sixteen years of continuous improvement and a focus on recruiting the best talent available in the market.

What is unique about working at your brokerage?

An excellent embracing culture overlaid by an entrepreneurial spirit as each IAA practice is independently owned whilst being a part of the much larger Advisernet organisation.

What would you change in the insurance industry to enable insurance brokerages to flourish further?

The industry peak bodies need to understand the value of the broker compared to direct insurers. And they need to focus on ensuring the broader community understands the benefits of dealing with a broker. Then it's up to individual brokerages to position themselves within an educated environment that isn't so focused on price.

How do you compete with some of the large global brokers who have a presence in Australia?

Our brokers operate on a more personalised basis with clients, and we target clients who value advice. Our footprint and technical resources are second to none, and we're more flexible, too.

What targets have you set for the next 12 months?

IAA has a financial growth target, but it's not just about the financials. IAA is aiming to become more valued by its clients. We also have a target to find the highest quality advisors to join our team. And finally, to make a difference in the communities in which IAA operates.

04

Unity Insurance BrokersNOEL WINZER AND
WAYNE HOLT,
DIRECTORS**What sets your firm apart from rivals?**

Our business model creates a flat structure, where the principals are responsible for their own client portfolios. As a result, our clients receive 'hands-on' service from the business owners. For example, the person handling the claim is most likely the person who made the sale and arranged the cover.

What challenges have you had in the past 12 months?

The move to a hosted solution using the internet. We can now work on our 'desktop' from anywhere we can access the internet, even with mobile phones and iPads. We have fibre-optic cable running past our front door which guarantees the internet speeds required for such a system, and our IT consultants provided a smooth transition during the switch over.



Noel Winzer



Keith Roderick

03

Roderick Insurance BrokersKEITH RODERICK,
DIRECTOR**What makes a good insurance brokerage?**

Good staff and always looking after clients.

What is unique about working at your brokerage?

We take care of our staff and foster the 'family' environment. We also make sure we have fun.

What challenges has your brokerage successfully navigated in the past 12 months?

Renovating our office – and experienced growth despite the very challenging market conditions.

What would you change in the insurance industry to enable insurance brokerages to flourish further?

A new licensing system where 'everyone' is licensed, as well as the banning of advertising on price.

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02

Mega CapitalMICHAEL GOTTLIEB,
DIRECTOR**What's your initial reaction to making Insurance Business' Top 10 Brokerages ranking?**

We are incredibly proud to rank in the top 10. It is a validation of our business model which is built around two core principles: unyielding advocacy for our clients; and constant innovation to improve the client's experience when sourcing and buying insurance. Further, it is a testament to our outstanding team who are absolutely committed to our client fixation philosophy.

What makes a good insurance brokerage?

For us, it's all about the client. That's why we are here! Brokers should provide high levels of expertise in advising and sourcing insurance solutions, and should be advocates for their clients at claim time. This is the key focus of our advisory business, Mega Capital. Too often the 'after-sales service' in our industry leaves a negative impression with clients. Intermediaries should strive to be innovative around their process and improve the transparency of insurance quotations. This will reduce the administrative burden and increase the confidence clients have in our industry. This is the proposition behind our younger business – BizCover, which is the first online business insurance marketplace in Australia, where clients can instantly compare, select and buy a policy in a matter of minutes. BizCover offers professional indemnity, public liability and business insurance from many of Australia's leading insurers.

What is unique about working at your brokerage?

We have a culture of excellence, innovation and an obsession to WIN. Therefore, we attract extremely driven individuals who – even if they are the best – want to continue to improve!

“As a boutique, you need to be the best and therefore offer a much higher level of expertise, client service and advocacy for your clients”

What would you like to see change in the insurance industry to enable insurance brokerages to flourish further?

We believe that there is an opportunity to evolve the industry to make it more transparent, hassle-free, and convenient, in a world that is full of time-consuming paperwork and lengthy face-to-face discussions via traditional broker channels.

What is the primary value that using an insurance broker provides compared with going direct?

Client advocacy and advice that is not aligned with the insurer.

How do you go about competing with some of the large global brokers who have a presence in Australia?

Like most industries, the large global players are often the average in the industry. As a boutique, you need to be the best and therefore offer a much higher level of expertise, client service and advocacy for your clients. Otherwise, your clients may as well use the global brands. The non-international general practitioner will continue to be marginalised in our industry. You need a value proposition!

What do you think will change in the insurance industry in the coming year?

It's a very mature industry. It's unlikely there will be any major changes in the coming year.

What targets have you set for the next 12 months?

For Mega Capital, to be the knowledge leader in our chosen segments. For BizCover, to continue to innovate the process around procuring insurance for the SME segment.

Building Partnerships...



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Our business partnered with the MGA Insurance Broking Network in February 2011.

As we transitioned to the new system, it soon became evident that SmartBroker was allowing us to do our work more efficiently with less resources.

SmartBroker is much more than a processing and workflow system; coupled with the MGA national network, we are poised to actively pursue acquisition and partnering opportunities.

Mark Lynch,
Portfolio Manager, MGA Perth.

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01

MGA Insurance BrokersPAUL GEORGE,
GENERAL MANAGER**What makes a good insurance brokerage?**

The common thread is a balance of quality personnel, sound relationships with stakeholders, and excellent technology infrastructure, all underpinned by a strong compliance and training culture. The net result of this approach is client service excellence.

Why do you feel your brokerage was able to make the list? What sets your firm apart from rivals?

Our founding directors set a new course for growth some 15 years ago which involved plans for acquisition growth outside of our home state of South Australia. As part of that plan, we had a careful look at our support infrastructure and have been building on this ever since. During this time, there were a number of structural things that took place fairly naturally. This

included the formation of our Central Processing Unit and MGA's Smartbroker system. Around five years ago, our Operations Division was formalised which supports these systems and provides services to portfolio managers and brokers, along with their broker assistants and support staff. These people are at the absolute heart of our business.

What is unique about working at your brokerage?

Our structure is not a corporate one. We have always been mindful to maintain a 'flat' structure which promotes better relationships and communication across the group. Our operations area includes our compliance/training, IT, accounts, systems and marketing. These individual managers along with their staff have one very important customer – our brokers and their staff. We are a large, private company, and I think the successful family business approach reflects that. The MGA Group has a distinctive brand which continues to get stronger in the marketplace. We are all proud of that and the way in which the individuals behind the brand support their relative communities.

“Maintaining a ‘flat’ structure promotes better relationships and communication across the group”



*Trevor Treharne, editor of
Insurance Business, with Paul George*

What would you like to see change in the insurance industry to enable insurance brokerages to flourish further?

Operationally, it would be good to see some broader comparative quotation solutions. Interfacing electronically is a large task, especially where rates are getting more technical and we believe that insurers who come off EDI platforms do so at their peril; this said, we are very keen to work with insurers that work with us for the right solutions – this is an industry issue, not necessarily an individual one. There is also the ongoing question of the public perception of insurance brokers and how we can better get the message out as to what we do. Through our own advertising, we have always found the best method to communicate to customers is through another customer's testimonials. Most brokers promote the industry well and we know that our clients place significant value on the right advice.

How do you go about competing with some of the large global brokers who have a presence in Australia?



Members of the MGA Board

MGA is now becoming known as a national network and we are seeing more opportunities to service national accounts across borders and be able to compete on all stages for these national customers, including associations and industry bodies. We are not predominantly operating in the large corporate space; however, a number of our brokers do look after some individual large accounts. We certainly don't shy away from these types of risks, and through our association with the Austbroker Network, we can draw on a number of specialist brokerages for assistance where we don't have some expertise or market access – for example, mining risks, specialist PI, trade credit to name a few.

What targets have you set for the next 12 months?

We are continually looking for new opportunities in the marketplace for either partial or full acquisition and

hope to achieve the milestone for our 25th branch prior to the end of this calendar year. We have a number of new system developments which are planned to be completed by and demonstrated at our Broker Assistants Conference in mid-November.

We have taken measures to increase and freshen up our advertising (both in television and radio) in targeted regional areas, and also in metropolitan areas, through specific publications, and in select industry sectors. Distribution in the retail and small business space needs improvement and we have a number of strategies in mind to address this – this segment is changing fast and we plan to be well ahead of these changes which are starting to present themselves now. This year, our results have delivered growth of 10.5%. Over the past decade, we have experienced such over-budget results year-after-year and, all things being equal, will continue to do so. **IE**