



# Making southern strides

By Hanna Barry  
and Sarah Basset



Bernie Ray, CEO of Emerald Risk Transfer

While today Emerald Risk Transfer is the largest corporate property and affiliated engineering insurance underwriter in Southern Africa, operating in South Africa and offering assistance in the Namibian market, its humble beginnings can be traced back to 1999, where, sharing a desk in a small windowless office, Gary Corke and Dave Manuel founded what was then Emerald Underwriting Managers.

I have always been particularly proud of the kind of business that Gary and Dave created," says Bernie Ray, who last year took over from Corke as CEO. "The business was founded on sound ethical principles, with clear goals as to what they wanted to achieve in the interests of all stakeholders. They wanted to do proper business and if this meant turning some away, they were prepared to do so. This is an ethos that has always flowed through the company."

The company's strapline – Professionalism, Innovation, Integrity – speaks to this drive to be the best. "Our strapline wasn't something we came up with and tried to emulate. We wanted a strapline that reflected what we'd always been doing," is Ray's reply when



the perception that there may be a misfit," remembers Ray. Emerald had no shortage of interested suitors, but very early on in the negotiations, a rapport developed between then CEO, Gary Corke, and Santam CEO Ian Kirk, who quickly grasped the synergies between the two companies. Three years on and Santam has been nothing but supportive, recognising that Emerald's strength lies in its entrepreneurial flair.

The company has grown tremendously and built products that work for it and its clients, establishing good relationships with former-Santam policyholders. "At the time, we underestimated the strength of Santam's brand and balance sheet, which gives us a strong position in South Africa and Africa. Although we trade independently, Santam is the ultimate security and this only increases the confidence our policyholders have in us."

### Namibia: a new frontier

"When Santam bought Emerald in 2010, the Santam corporate team in South Africa was dealing with Santam Namibia already, and we saw a great opportunity to share the Emerald team's technical expertise in corporate underwriting, to assist them in offering an assets and business interruption insurance solution for their corporate clients," explains portfolio executive, Chris Potter.

Though not registered to write business directly in Namibia, Emerald has been assisting Santam Namibia with technical expertise and reinsurance capacity for the past three years.

"The local insurance industry in Namibia is on par with the rest of the world," says Potter of working in the market. "There is a pool of knowledge and expertise in both broking and insurance company organisations in Namibia. The Namibian corporate insurance risks pool of business is a lot smaller than South Africa, so the risks are known to all large brokers and insurers alike."

Of the challenges of moving into the market, says Potter, "It may sound silly, but my first challenge was the language barrier. I'm from Scotland and my Afrikaans 'isn't so lekker'. The real challenges came with my first two visits to Namibia, in the fact that the local brokers and to a certain degree the local Santam office, saw us as outsiders, trying to teach them how to underwrite corporate business when they have been doing it for many decades.

"The achievements are the fact that Emerald has assisted our colleagues at Santam Namibia in becoming more technically competent in the analysis and underwriting of large corporate risks in Namibia. The local brokers are totally supportive of Emerald's assistance and guidance that we offer Santam as a local insurer and the local brokers.

Our aim as Emerald is to ensure that we

assist Namibian brokers and insurers to keep business in Namibia and, on the odd occasion, share a bit of the risk with Southern African insurers such as Santam, when capacity is required," he adds.

### People power

Policyholder confidence is enhanced by Emerald's Stretch vision, which speaks to a drive to go beyond and achieve ambitious goals, both for the company and its individual employees. The five pillars that are incorporated under Stretch include eliminating succession planning issues; growing an African footprint; differentiating itself from the market; creating stable growth; and exceeding shareholder expectations. These pillars are interdependent and revolve around having the right people in the right positions.

"Strategy becomes vacuous without the right people to implement it. Emerald is a people-centric company; we think we have the best people and will continue to source the best people," emphasises Ray. Emerald develops its own people through its training and mentoring programme, enabling young employees to go on to more senior positions and securing an exceptionally low turnover of staff.

Out of a total of 10 senior managers, seven are women. Although this happened organically, Ray is pleased that it turned out that way and says his team is highly competent. "I've no doubt that we have the strongest technical and operational skills in our niche of the market. If there were better people out there, they would be working for Emerald. I would find them and hire them; and you can quote me on that because I'm particularly proud of our people."

### Unique knowledge

Through its ties with Santam, Emerald is indirectly a signatory of the United Nations' Principles for Sustainable Insurance (PSI). Ray would like the company to be a signatory in its own right, too. He reflects on Emerald's commitment to managing environmental, social and governance (ESG) issues within the companies it underwrites by, for example, having its engineers and underwriters sit on the risk management committees of some of its policyholders.

"We would not have been able to write some of the risks on our book without sound knowledge of the ESG management within these companies. This has helped us to create better products for these clients. Major losses are not financial, but also peoples' lives and livelihoods and we are in a position to make a major difference through encouraging proper risk management."

And proper risk management, says Ray, will remain at the heart of this business under his leadership.

questioned about the meaning behind the slogan. "We understand professionalism as an attitude. It is not a word we use simply because we are professionals. Rather, it speaks to the quality of our business and the fact that we have expert and specialised knowledge in the areas in which we work." Ray describes integrity as, "Doing the right thing, in the right way, at the right time and for the right reasons," which he says is a description he found online and fancied because "it reflects what we do".

### A fruitful partnership

"Santam didn't shoot immediately to the top of the list, probably because of the previous competition between the two companies and