



# THE SUNDAY TIMES

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## BUSINESS

# Chicago bear bets shirt on City

### THE ANDREW DAVIDSON INTERVIEW



Greg Case moved the world's largest insurance broker from the Windy City to London to prove that Aon is a truly global operation. Is it worth the risk?

In these days of whipper-thin chief executives, pounding gym machines to stay fit for endless global travel and back-to-back meetings, it's great to find an alternative approach.

"I used to play defensive line," growls Greg Case, who is as big as a fridge and probably just as steely. "That's what we call nose guard in American football — I definitely made contact on every play."

I think that means he flattened his opponents, but today, bulky Case, 49, is a bundle of grins, keen to please in his first British press interview — an event made doubly pertinent by the fact he has just moved his giant company here.

Aon, the world's biggest insurance broker and the shirt sponsor of Manchester United, shifted its base from Chicago to London in April. Three days ago, it held its first board meeting here — in the plush surroundings of the Savoy, where Case now holds court.

What, no boardroom? "We're going to be capturing what you guys call the Cheese Grater, opposite Lloyd's, when it's ready," says the Kansas-born chief executive.

It will be an appropriate location for a group that now provides 23% of Lloyd's of London's business. That was one of the reasons Case relocated Aon, which remains listed in New York and is worth \$17 billion (£10.5 billion). The group bought London-based Renfield, the reinsurer broker, for £935m in 2008, and wants to foster closer links here.

"The UK is a special place in the world for risk management. Some of our predecessor companies go back hundreds of years here. And more than half Aon's business is now outside America. It shows we are a global firm."

Likewise its four-year, £80m deal with Manchester United, which is fast becoming the go-to shirt for Americans wanting to crack overseas markets. GM's Chevrolet will replace Aon as main sponsor in two years — job done, says Case.

"The light-bulb moment was seeing 90% brand recall in Asia, and Latin America, and Europe. The power was unique and compelling. We are a global firm and it magnified us."

And yet, outside the insurance world, how many people know what Aon actually does? Case answers that with his own question.

"We are in risk and people, and how many companies work in risk and people in 150 countries around the world? We can really affect the global economy."

He talks fast, eyes darting, smile constant, sometimes sliding into jargon, but his pitch is convincing. Aon, he says, helps companies assess the risks they face, and find the strategies — and insurance policies — to offset them. By being global, it can pull in the best solutions from around the world.

So what is "risk"? "It's what can affect the performance of your business, the



Greg Case: Aon's chief executive is an imposing new figure in the Square Mile

things that can happen, like catastrophes. What is different now is that there is more risk out there than ever before — cyber risk, terrorism, pandemic, sustainability."

But, hang on, the world is surely safer than in, say, 1938? Isn't it just in his interests to ramp up the fear?

No, what is different, he counters, is the spread of global business and the interconnectedness of everything. Floods in Thailand, earthquake in New Zealand, tsunami in Japan...

"They are global supply chain catastrophes, and we have clients all around the world that have earnings shut down. What we are about is helping them understand how to deal with that."

Nor is it just significant catastrophes. Profit volatility affects price/earnings ratios. "We can find out what makes them volatile and change that."

And people? That is twinned with risk.

"How many companies have the retirement issue solved? Almost none. And that a people or a risk issue? It creates huge volatility and an issue for the balance sheet. There is tremendous connectivity."

Case splits the people issues into three: pensions and retirement, talent and rewards, health and benefits. "The one thing on the profit and loss line that is always going up 10%-12% a year, is health and benefits. We help companies flatten that increase and do it in a way that makes employees happy."

He could clearly pitch his business for hours, rolling out rhetorical questions like tanks to squash opposition. He ran the financial services practice at McKinsey & Co, the consultant, before joining Aon as chief executive in 2005. His brief is to pull everything together.

"Aon was the product of 435 acquisitions over 20 years. It was not as unified as it

should have been. What my team is trying to bring to the table now is what we call Aon United."

Hence the Manchester United link: "How else could you get 62,000 colleagues and their kids to wear a shirt with Aon on it?" And hence, also, his radical reshaping of Aon, selling off the underwriting business and buying in the Hewitt Associates consultancy for £3.2 billion in 2010, making it the biggest HR group by revenue in the world.

"When people ask me how serious we are about risk and people, I point out that we sold a third of the firm to focus on it. That's serious."

Case continues to spend "\$200m-\$300m a year" on bolt-on acquisitions, but Aon's growth is not without blemish. Last year it was fined \$16m by the US Securities and Exchange Commission after allegations that it had bribed foreign government officials

to retain business. Three years ago it was fined £5.25m by the Financial Services Authority for having made "suspicious payments" to overseas companies and individuals. A legacy of the old regime?

Case shifts his weight uneasily. "Yeah, of course, a lot of things come out as you bring about change. Remember, I joined this business right on the heels of the Spitzer inquiry [into insurance commission levels in America]. We just have to take the right steps for the long-term future of the firm."

No more surprises? He dodges that one. "We will always be incredibly open and transparent as we try to build a great firm."

But Aon wasn't, in the past. "Listen, we're a people firm, and integrity is our life, and by the way, the source of our integrity is grounded in client leadership."

He then digresses into what client leadership means, and the ways Aon helps customers improve performance, numbered again one to three. Suddenly, it sounds like he is giving a Powerpoint presentation.

Yet there is something likable in his earnestness. Case has ducked the press spotlight during his seven years atop Aon, and clearly finds the scrutiny of interview unsettling, looking anxious throughout.

He says he prefers anonymity because he doesn't believe the chief executive should be the star. "The goal is to build something sustained," he sighs, "long past Greg Case."

That comes from his Kansas roots. His father was a state examiner, inspecting credit companies, and his mother was a nurse. Case went to university in the Midwest before applying to Harvard Business School. "Yeah, I guess not a lot of Kansas boys went there."

He worked for an investment bank for two years before taking his place at Harvard. His room-mate already worked for McKinsey, and suggested he join the consultancy. "I went with the idea of doing two years, and stayed seventeen." He rose to run its global insurance practice.

Was Aon a client? "Personally, no. But

I'm not saying I didn't have a meeting or two with them." When the insurer's founder, Pat Ryan, approached him about becoming chief executive, he found the offer irresistible. Why?

"Aon had extraordinary resources focused on two critical topics. What it didn't have, and still hasn't, is unification." Meaning? "When we can take someone in the Midwest of America, and offer Lloyd's of London as an option, or QBE Insurance of Australia, then we open up the world to them."

So the move to London reinforces that. Except Case himself hasn't moved — he stays in the Berkeley hotel in Knightsbridge and jets back to his family in Chicago. Is it all just window dressing?

Case squirms. "I travel a lot anyway and my sons are very serious baseball players; there's not a lot of that here for them."

Colleagues say you needle him at your peril. "Greg is patient, results-focused and highly strategic, but if you get on the wrong side of him, it's not a place you want to be," laughs Steve McGill, Aon's group president, and one of three Britons in the 12-man top team.

Case just repeats what "a privilege it is serving my colleagues", which can sound trite from a man earning \$12m a year, but somehow he makes it feel genuine. Then when the interview is over, he bustles round the table, and surprises me by asking for interview tips.

"You see a lot of people, what would you suggest?" Maybe less jargon, slower delivery, more direct answers. He nods, taking it in. And maybe less eagerness-to-please.

His eyes narrow. "Don't worry, I played nose guard. Remember, at some point there is another gear." And with that, the big man chuckles ominously.

## The life of Greg Case

### VITAL STATISTICS

**Born:** December 26, 1962  
**Marital status:** married, with two sons  
**School:** Salina Central High, Kansas  
**University:** Kansas and Harvard Business School  
**First job:** analyst at Piper Jaffray investment bank, Minneapolis  
**Pay:** \$12m  
**Homes:** Chicago and London  
**Car:** silver Lexus. "I'm not a car guy."  
**Favourite book:** *Outliers* by Malcolm Gladwell  
**Favourite film:** *Batman — The Dark Knight Rises*  
**Favourite music:** jazz  
**Favourite gadget:** radar speed gun for baseball pitching  
**Last holiday:** Paris



Anne Hathaway in *The Dark Knight Rises*

### WORKING DAY

The Aon chief executive wakes in his hotel suite in London's Knightsbridge at 6am. "I'll be talking with colleagues or clients first thing, then I'll jump in a taxi to our HQ in the City," says Greg Case. He works from an office in Devonshire Square with 12 senior executives reporting to him, many of whom have relocated as part of the business's move to Britain. "My priorities are direction and leadership, plus I spend a lot of energy focusing on clients."

Case works till after 7pm, and often goes on to a client dinner. He travels three weeks in four, and keeps his family home in Chicago, Aon's previous base.

### DOWNTIME

"I have a great wife and two great sons, aged 15 and 17, both keen baseball players, and outside Aon I spend much time with them as I can," says Case. They follow him around the world during holidays.

"My 17-year-old just reminded me he'd done more time in London than Chicago recently."

Case doesn't spend his money on anything other than family. "But when my sons are off to college maybe I'll redirect my energies."