



# 2016 AAMGA Student White Paper Research Contest



**AAMGA**<sup>®</sup>  
UNIVERSITY



**AAMGA**<sup>®</sup>  
Emerging Issues  
and Trends Committee

# Win a Scholarship, Network & Get Published

Distinguish yourself by being part of the AAMGA's nationwide White Paper Research Contest for students enrolled in University and College Risk Management and Insurance programs. This is an exclusive opportunity to research and write on a topic of current interest to the insurance marketplace, win a scholarship, and to get your paper published and seen by over 1.4 million readers in 40 countries.

## What's in it for You?

Students participating in the AAMGA's annual White Paper contest will have their papers evaluated by a team of industry professionals. One winning entry from each of the three categories below will receive:

- a \$1,000 scholarship;
- All expense paid trip to the AAMGA's 90th Annual Meeting at the J.W. Marriott Desert Ridge Resort in Scottsdale, AZ for you and your Professor/Advisor
- Opportunity to shadow an AAMGA member for the conference and network with over 1,000 attendees from the US, Canada, Germany and England
- Publication of your paper in the AAMGA's Wholesale Insurance News quarterly magazine, distributed to over 1.4 million insurance professionals in 40 countries around the world, and on the AAMGA website. Past year's winning papers can be viewed here: <http://www.aamga.org/education/whitepapers>.



## Research Criteria: Focus on the Wholesale Insurance Perspective

Wholesale insurance managing general agents and underwriters, brokers, program administrators and managers, aggregators, insurance and reinsurance companies, captive insurers and others occupy a unique and specialized niche in the industry. Working with their retail producer customers, wholesale insurance professionals are entrusted with the underwriting pen to bind insurance on behalf of the insurance markets from whom this authority has been delegated.

## Research Topics

There are a number of emerging issues and trends taking place in today's market impacting the wholesale insurance industry. Pick one topic from among the following three categories (see, further, the definitions on the back of this brochure):

### 1. Industry Concerns & the Impact on the Wholesaler

- Increasing Capacity
- Federal and State Regulation
- Standard Markets Infringing on the Excess & Surplus Lines Market
- Entrance of Nontraditional Companies into the Insurance Industry
- Increasing Consolidation (Retailer, Wholesaler, Carrier)
- Erosion of Wholesale Distribution Value Proposition

## 2. Emerging Risks & How Wholesalers can Best Address Them

- Autonomous Vehicles
- Increasing Cyber Exposures
- Global Climate Change
- Impact of Hydraulic Fracking on Insurance Exposures
- Growth of Peer to Peer Sharing Economy

## 3. Technology and the Wholesaler

- Big Data Enables Use of Predictive Analytics
- Widening Technology Gaps
- Internet of Things
- Preparation for the Seamless User Experience
- Increasing Challenges in Workforce Dynamics

## Getting Started and Writing Your Paper

- Provide a summary of the research supporting the trend, including source documents. Links to source documents are acceptable to control the length of the paper.
- Implications - what potential implications does this trend present to the wholesale insurance market?
- Opportunities - what opportunities does the trend provide to wholesale insurance professionals and the market?
- Threats - what are the potential threats or impacts of the trend to the wholesale insurance marketplace?
- Provide insights and take a ways from what you have researched
- Papers should be 4-6 single spaced pages with 1 inch margins, using 12 point Arial or Times New Roman font.

## Deadline and Submission of Your Paper

Please submit your paper to Bernd G. Heinze, Esq., Executive Director of the AAMGA: [bernie@aamga.org](mailto:bernie@aamga.org) no later than 5:00pm on February 15, 2016.

**Thanks...and Good Luck!**

## What is the AAMGA?

The American Association of Managing General Agents is the oldest international, professional trade association comprised of over 500 premier wholesale insurance entities in the United States, Canada, Germany, and England. Members write in excess of \$30 billion of annual written premium in the specialty lines of the property/casualty business. The AAMGA advocates for its members with regulators and legislators; educates wholesale insurance professionals through the AAMGA University; and provides networking opportunities at a variety of meetings and events throughout the year.

Learn more at [www.aamga.org](http://www.aamga.org).



# Definitions

Increasing Capacity	Record high capacity continues to restrain a hard market. Capacity continues to enter the market via expansion by existing insurers and new entrants.
Autonomous Vehicles	Vehicles that can drive themselves without human supervision or input have the potential to disrupt the auto insurance industry, impacting underwriting practices, claim frequency and severity, liability, premiums, and agency commissions.
Big Data Enables Increased Use of Predictive Analytics	Wholesalers are sitting on large amounts of data and need the ability to fully analyze it and act upon it. However, technological solutions are either out of reach of the wholesaler, aren't able to interact with legacy systems, or do not provide the features that wholesalers need.
Increasing Cyber Exposures	Cyber security is a leading issue for every business due to the increased vulnerability of confidential data.
Federal and State Regulation	There is increased potential for Federal and international authorities to encroach on traditional state regulation of the insurance industry.
Widening Technology Gaps	The gap between firms with leading-edge technology and those without it is widening. As costs, complexities, and lack of expertise increase, many firms are struggling to define and implement their technology roadmap.
Global Climate Change	Climate change and the increasing frequency and severity of weather-related events is causing the global insurance industry to take a more proactive approach to risk management and financial impacts. Meanwhile, sustainability has become embedded in society and defines company culture, business decisions, and corporate reputations.
Impact of Hydraulic Fracturing or Fracking on Insurance Exposure	Hydraulic fracturing, or fracking, uses pressurized water, chemicals, and sand to break apart shale rock and release natural gas. Concerns include the impact on the environment, the availability of product, the impact on insurers, potential coverage gaps, and dealing with regulators.
Internet of Things	The proliferation of sensors connected to the internet and cross-platform integration creates potential exposures from privacy, bodily injury, and property damage that involve potentially large liabilities.
Entrance of Nontraditional Companies into the Insurance Industry	Companies with large amounts of data and capital, such as Google, Facebook, and Amazon, are entering the insurance market, starting with sales and distribution, and with the potential to become actual risk bearers.
Preparation for the Seamless User Experience	A seamless user experience allows a single input of data for the entire risk process and a "friction less environment" to conduct business anywhere with any device. Younger generations will expect this capability to be available, but many wholesalers are not prepared to provide it.
Standard Markets Infringing on E&S Market	Standard markets continue to dip into E&S business and buy E&S companies as partners, putting pressure on traditional E&S markets.
Increasing Consolidation (Retailer, Wholesaler, Carrier)	Consolidation is increasing in all segments in the industry, and smaller firms are finding it increasingly difficult to compete.
Erosion of the Wholesale Distribution Value Proposition	Remaining relevant in the wholesale distribution value chain continues to be a challenge. Technology, in the form of comparative raters, behavioral pricing models, big data, and advanced analytics, and a focus on sales versus underwriting in order to reduce costs are eroding the traditional value proposition the wholesaler brings to the markets they represent.
Increasing Challenges Workforce Dynamics	A large segment of the workforce is approaching retirement in the near future and there is a gap in attracting and retaining new talent and transferring institutional knowledge and expertise. There are also increasing challenges in managing the multi-generation workforce and promoting diversity throughout all levels of the organization.
Growth of the Peer to Peer Sharing Economy	Peer to peer sharing businesses, like Uber, Lyft, airbnb, etc., are still evolving and raising questions about regulation and coverage.



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