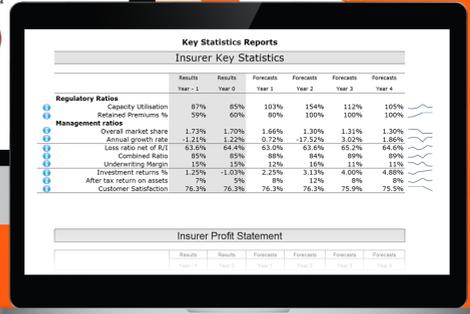
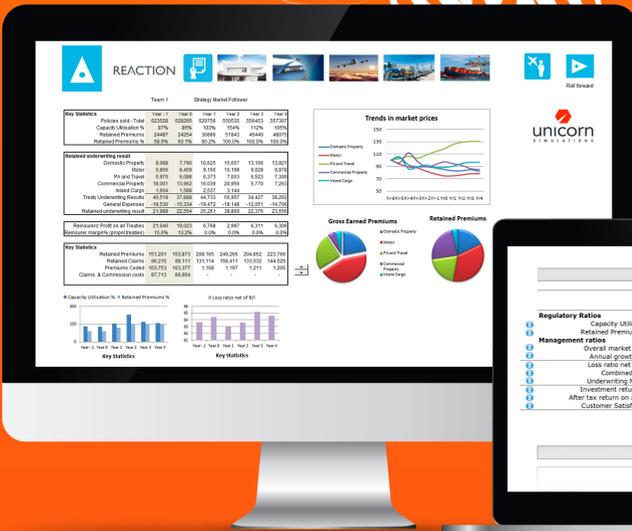


Welcome to ReAction



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REACTION SIMULATION

Abstract

ReAction is a world-class strategic simulation designed for reinsurance training. In the simulation participants are introduced to The State of Adversity, a fictional country exposed to a range of risks, where they work on behalf of an insurance company to manage the reinsurance programme. Participants work as both cedants and reinsurers to place and underwrite reinsurance business.

Participants learn and practice the key principles of reinsurance underwriting in an engaging simulated real-life environment, focussing on capacity, profitability, negotiation, and reflection.

The simulation exercise involves participants in small teams managing a reinsurance programme on behalf of an insurance company. Teams are then split in half, with half acting as the Cedants seeking to place reinsurance, and the other half acting as Reinsurers taking on risk from other teams on behalf of their home company.

Cedants then negotiate with Reinsurers from other teams to try to place their programs within the simulated insurance market. The process is repeated over three year-long decision periods, offering the Cedants and the Reinsurer teams a chance to strengthen and manage relationship in reaction to the events taking place in the State of Adversity, and for participants to rotate roles within teams.

The main objectives for teams are to achieve growth in market share, profitability, solvency, and high levels of customer satisfaction, by appropriately placing business and taking on risk as both cedant and reinsurer.

Learning Objectives

This simulation provides an effective, hands-on, and engaging training experience, which is usually combined with more formal teaching and provides practical reinforcement of key learning outcomes, including the ability to:

- Demonstrate knowledge about reinsurance treaty structures, such as Quota Share, Surplus, Per Risk XoL and Catastrophe XoL
- Describe and understand the roles of cedant, broker and reinsurer
- Confidently manage and analyse underwriting and operational information, including historical data, risk profiles, exposures, PML scenarios, claims experience and profitability by line of business
- Make effective decisions based on information analysis, including the competitive environment and market trends
- Explain the reinsurance cycle, the placing process, relationship management and negotiation skills

The “real world” environment and competition between the teams brings the data to life and ensures effective, action-based learning.

“It has been a great experience that has made me professionally richer and has given me desire to learn more.”

REACTION SIMULATION

The ReAction Simulation was originally developed to be a core element in the reinsurance training development program for an international client. The simulation has since been enhanced and updated for use by other clients globally. The original objectives of improving participants understanding of reinsurance skills, their ability to analyse the placing process, relationship management, and negotiation skills remain at the core of the learning process.

Unicorn Simulations can provide experienced facilitators to lead the training, or for clients who have their own in-house resources or who wish to run several events, we can provide a Train the Trainer certification.

The simulation has also been accredited by both the CII and ICMIF. ICMIF are a long established and unique global organisation representing cooperative and mutual insurers from around the world.

About ReAction Simulation

The simulation is comprehensive business tool enabling participants to gain practical experience of reinsurance in a risk-free virtual insurance world.

It is based on a realistic business environment and utilising real-world data, albeit simplified to maximise learning. Participant teams are tasked to provide reinsurance advice and capacity to your potential clients and underwrite new insurance business across the market.

The duration and intensity of the simulation training depends on the learning objectives for the participants and on whether other formal learning sessions are integrated into the programme. As a face-to-face activity, for up to six teams, the simulation is typically run over three days, with each day representing a simulated year of business. As a virtual workshop, a typical event will run over three and half days with time for reflection and feedback being an important element of event.



REACTION SIMULATION

THE PROCESS

- Participants work in teams of 4 or 5 members. Each team of underwriters runs a mid-sized domestic insurer. They are responsible for planning and implementing the underwriting strategy for up to five classes of business, followed by designing and placing reinsurance programmes to promote their strategy.
- Each team accepts inward insurance on behalf of their AA rated parent company. The tasks are to provide reinsurance advice, capacity to clients (other teams) and to underwrite new reinsurance business across the market
- Team members can discuss the underwriting opportunities and risks in each underwriting category before developing their business plan to meet the business objectives of growing GWP profitability, while remaining within capacity limits and providing high levels of customer service
- Their main objective is to build a balanced portfolio of risks which provides opportunities for profitable growth throughout the reinsurance cycle. Reinsurance customers seek financial strength, stability, and a strong focus on customer benefits
- At the end of each decision round the tutor reveals and discusses the comparative team results and draws out the key learning points
- After the final decision period, each team has time to reflect on their performance, and report in plenary on what worked, what would they have done differently, and what are the key learning outcomes to transfer to their real-world work environment
- Teams are judged against both financial and non-financial performance measures (customer satisfaction, renewal rates), and where appropriate the winning team is announced at the close

Main advantages of Simulation-based learning

Flexibility: Prior to each event, the simulation can easily be tuned, for example to reflect a soft or hard market in a class of business, to choose which classes of business to focus on, to update the economic and business environment or to decide on the size and frequency of cat events.

Scope: The range of underwriting decisions involved, and the depth of data available for each class make for a realistic and in-depth learning experience that is easily transferred back to the real world.

Credibility: The simulation is based on real-world data, albeit disguised and simplified to enable three years to be simulated over the period of a workshop. Tuning options ensure the model to remains up to date and relevant.

Robust and tested software: We have run successful workshops in the US, Asia Pacific, and mainland Europe, as well as for several London Market underwriters.

Expert support: We can provide expert facilitators or train your in-house team and provide technical support as required throughout each run of the simulation.

The simulation currently includes five classes of business:

Domestic Property, Professional Indemnity, PA & Travel, Motor and Inland Cargo. Typically, teams start by underwriting 3 of these and then add further classes as they progress.





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FIND OUT MORE

Unicorn Simulations have over 30 years' experience in planning and conducting training simulation events, including live events in over 40 countries. Our workshops and seminars are renowned for the learning effectiveness of the training.

Unicorn Simulations are recognised as a CPD (Continuous Professional Development) supplier by the independent CPD Certification Service and our Insurance Simulations are CII CPD Accredited which demonstrates the quality of the learning and confirms that they meet CII member CPD scheme requirements.

For more about how you can experience our simulations contact us at:

 info@unicornsolutions.com

 unicornsolutions.com

Visit our website to learn more about Unicorn Simulations and our world class insurance simulations Morotania, Underwriting DNA and ReAction.

"The Business Simulation segment of the programme continues to be very highly rated by our clients and this is thanks your management at Unicorn Simulations along with facilitation of the exercise. Once again, you did a great job for us, thank you!"

Director of a major London Broker