

NOTEBOOK

Not everyone's specialty, not anyone's game

When risk grows complex, specialisation becomes strategy – and only a few can master it. **Chedid Insurance Brokers Network's Mr Jad Kanbar** points out that clients are demanding more niche expertise, and explains how the insurance industry, and Chedid brokers, responds to the opportunities offered by specialisation.



There was a time when the big picture was enough to manage and monetise insurance risk. Generalists could coast on surface-level knowledge in a somewhat predictable business environment. Insurers and brokers could rely on general indicators to price and assess risk, expecting only occasional disruptions to the business cycle.

The past few years have challenged this reality, with these disruptions becoming more frequent and severe. Geopolitical instability, complex regulation, climate-related risks—many of which are unfolding in our region—and rapid technological advances have amplified the need for specialisation in our industry. In 2024, the global specialty insurance market was valued somewhere around \$100bn. Whether on the conservative or bullish end, the industry consensus is that it's here to stay and grow.

Across sectors, our clients are investing in niche expertise for their cross-border expansion, portfolio diversification, sustainability

roadmap, and tech-powered transformation. They demand no less from their growth partners. Where their risk management demands precision and performance, ours needs to deploy data and expertise into solutions for their business challenges, extending far beyond their insurance needs.

A solid understanding of our clients' industries supports not only their continuity, but equally our own. Specialisation means pricing and programme optimisation, ensuring our risk is neither undermined nor overstated. The lack thereof means excessive loss ratios in bad times, loss leadership in good times, and both in worst-case scenarios. As early as 2018, carriers started holding back binders and covers for managing general agents that failed to present data- and expertise-backed strategies for risk underwriting.

Globally, some brokerage boutiques went as far as focusing their entire portfolio on highly profitable, high-risk niches where 'scale' players won't go. Their eagerness for this

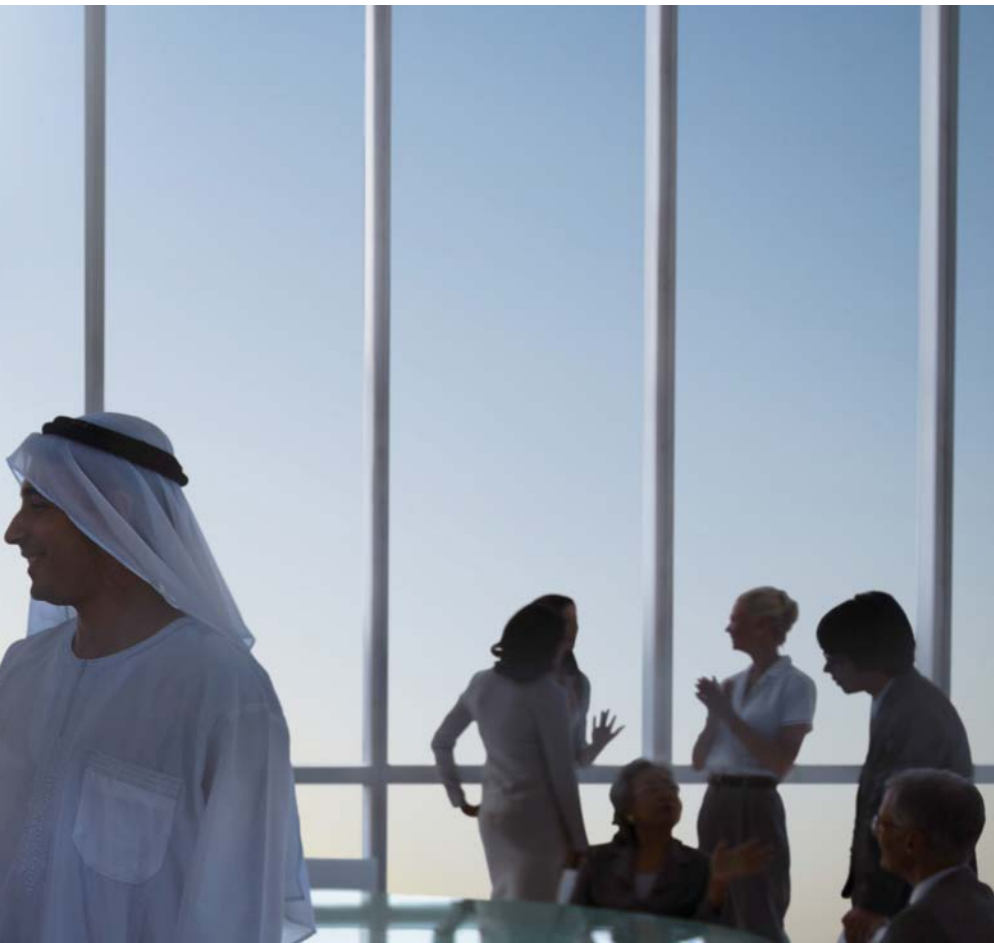
hyper-focused approach waned during the COVID-19 pandemic, which pressured many commercial lines and those who invested in them.

That's because pitting scale against specialisation is a flawed premise. Go too far pursuing either, or you'll miss the point. For brokers, the opportunity is midway, aligned with their clients', insurer partners', and own strategic priorities.

Verticals

Vertical specialisation is the first and most obvious route. When insurers or brokers understand their clients' business, not only will they get their buy-in but they will also gain their trust for future upselling and cross-selling opportunities. Examples in our network have been many, from hiring brokers with a medical background in Egypt and Saudi Arabia, to onboarding construction experts for our engineering line, to having ex-underwriters bridge the gap between our clients and partners. Similarly, in the hotel industry, we leaned on our F&B specialists to tailor specific





liability add-ons, from food poisoning to valet parking.

But beyond verticals, it is transferable expertise that unlocks the most value for our clients and economies of scale for our business. Analytics, AI, and IoT, for instance, are areas that serve not only our cyber insurance lines, but also our tech-powered operations, data-informed underwriting capabilities, and general insurance programme design. Similarly, GRC (governance, risk management, and compliance) and market-level knowledge are crucial for clients looking to expand across borders, no matter the line of business. Our group network is heavily investing in this direction through the Corporate Risk Management Institute, which is now offering educational programmes and internationally accredited certificates in both GRC and other critical business areas such as cybersecurity and ESG, and extending advisory services in resilience and risk planning.

The opportunity is where vertical specialisation and other expertise

areas meet. Think, for instance, of the crucial role political violence expertise holds for contractors' all risks insurance in a market like Lebanon.

It is this crossover that has guided our own talent specialisation investments at Chedid Insurance Brokers Network. Our people's cross-border and cross-cultural expertise has allowed us to adapt our value proposition around each market's unique dynamics. It is not only their technical expertise that wins, but also their commercial acumen and strong partnerships with reinsurers and local cedants.

Market context

What ultimately defines specialisation is market context. In the short-to-medium term, our focus is on addressing risks that are underserved by international competitors and others that arise with an increasingly demanding regulatory landscape. With regional central banks making headway progress in enforcing and formalising cyber security governance—starting with

financial institutions—our experts and solutions are supporting our clients in navigating this transition. Collaboratively, they are leveraging their technical knowledge and strategic relations with top-rated securities, securing major contracts and unlocking new revenue streams for our regional operations.

As our clients increasingly invest in governance and global expansion, we're placing equal weight on lines related to banker's blanket bond, D&O, professional indemnity, and trade credit insurance. Going forward, we're eyeing centres of excellence for specialised lines, led by top talent, and housing best-in-class practices, tools, and processes – and a deluge of data to boot.

The cross-market and cross-disciplinary mobility of our talent will become central to the success of our specialisation investments. Attracting top industry experts to the insurance world is a challenge. Accepting that their career ambitions are not necessarily about moving upward, but across the insurance value chain, is another.

It takes some perspective to see the opportunity in these challenges. Some of our own brokers have transitioned to the reinsurer side as underwriters. For us, that's a win. When specialised talent circulates within the industry and experts speak to experts, they drive sustainable growth across the board. It is an ecosystem-wide growth philosophy that we have adopted, advocated, and advanced at Chedid Insurance Brokers.

About Chedid Insurance Brokers

Established in 2009, Chedid Insurance Brokers is the insurance brokerage network of Chedid Capital, a leading investment group in the Middle East and Africa's (MEA) (re) insurance sector. The network today counts 300-plus specialists, eight subsidiaries, and 75-plus insurance partners across the MEA region. Under the umbrella of Chedid Capital, Chedid Insurance Brokers and Ascoma operate 23 subsidiaries across 21 African countries. [\[1\]](#)

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