Aon CEO makes list of top 100 business leaders

An insurance industry leader has claimed a spot in the *Harvard Business Review's (HBR's)* list of the 100 best performing CEOs.

Greg Case, CEO of Aon, ranked 69 in the top 100, delivering an industry-adjusted total shareholder return of 276 percent (country-adjusted return of 237 percent). It was found that Case's leadership efforts also influenced a market capitalisation change of +$25 billion.

Basing the ranking on hard data rather than on reputation or anecdote in order to calculate each CEO's worth, *HBR* revealed that the top 50, on average, delivered total shareholder returns of 1,350 percent (adjusted for exchange rate movements) during their time on the job, translating into an annual return of 26.2 percent.

"We acknowledge, of course, that being a good CEO is about far more than just investment performance. Leading a company and creating value depend on many skills that are hard to measure—strategic vision, authenticity, long-term planning," said *HBR*.

Greg Case

"And investors certainly aren't the only stakeholders that need tending to; the best-run companies connect effectively with customers, employees, and the communities where they operate."

The Reputation Institute, a reputation management consultancy, also ranked the top 100 CEOs in terms of other skills—work environment, citizenship, governance, leadership, etc.

In total, 13 CEOs are of nationalities that differ from that of their companies, and just two women made the top 100. The median age was 59.

The survey also looked at CEO pay to see how that related to performance. To do this, *HBR* worked with Equilar, a company that collects information on compensation, to tally the most recent pay packages for the top 100. ■

Ebola to impact the P&C industry

The Insurance Information Institute (III) has published a report examining the potential ramifications for the insurance industry of the spread of the Ebola virus which, at the time of writing, has infected at least 8,399 people and killed 4,035, according to the World Health Organization.

As of October 10, 2014, all but four of the cases were in four countries in Africa (Guinea, Liberia, Sierra Leone, and Nigeria). One was in Senegal, one in Spain, and two in the US.

According to the III, the main effect on the property-casualty industry would likely be on companies writing workers' compensation, as healthcare workers are the people most directly exposed.

As with life insurance, it is unlikely that many workers in the affected African countries have workers' compensation coverages.

In contrast, "US workers' compensation coverage is nearly universal, but the likelihood of claims is low, assuming that employers and their workers take Centers for Disease Control and Prevention (CDC) recommended precautions," the III said.

"As with life insurance coverage, reinsurance will help mitigate the financial effect of a surge in claims, which are likely to be very costly in the event of actual work-related infections."

Various liability insurance lines, including general liability, D&O liability and medical malpractice (med mal) could also potentially be affected by the spread of the virus.

General liability and D&O claims might be filed asserting that the policy-owner was negligent in failing to prevent transmission of the virus. For example, a claim might be filed alleging negligent disposal of contaminated waste, pursuing either general liability or med mal recovery.

As the III explained, "Med mal claims might assert that proper medical protocols were not followed, resulting in infection by the Ebola virus, or that the disease was not properly diagnosed or diagnosed in a timely manner or that the treatment protocol itself and/or care rendered was somehow negligent."

"At this stage it is impossible to forecast the precise number of such claims or the amounts of damages that might be sought," it concluded.

"That said, assuming the CDC's protocols are successfully followed, the number of Ebola cases should be small, thereby limiting the number and likelihood of tort actions that can impact various liability coverages." ■

The Ebola virus (representation)