



Airmic

AXA Corporate Solutions

Innovation – Developments which may disrupt Risk
Managers

13th June 2017



Agenda

Key Areas of Change

Emerging Risks

Big Data

Artificial Intelligence

Demographics

Group Discussion

Conclusions

Close

Key Areas of Change



Emerging Risks



Big Data



**Artificial
Intelligence**



**Cyber
Demographics**

Emerging Risks

‘A risk is emerging when the understanding of one or more constituent elements of the risk’s current dynamics is not developed’

Institute and Faculty of Actuaries

Hazard	Exposure	Vulnerability
A danger, peril or, more generally, an uncertain event or series of items that have the potential to threaten the firm directly or indirectly	The instance of being subjected, in the course of executing a business strategy, to the action of a hazard;	A weakness or a strength (e.g. in a business model or any of its constituent systems and processes) that makes a firm susceptible to hazard.

Disruption – Redefining ‘Normal’

Traditional Risk Identification methods are now supported, or potentially replaced, by new technologies and analytical capabilities.
Are your processes up to date?

Areas of Emerging Risk to Consider

Identification	Technology
Claims Scenarios	Indirect Risks

Big Data

‘Big Data is high volume, velocity and variety ‘information assets’ that demand cost-effective, innovative forms of information processing for enhanced insight and decision making’

- Gartner, Inc.

Volume	Velocity	Variety
Big Data is not a specific data set. It is an overall and quantifiable observation of the landscape around you	The speed and availability of data, as well as the speed of coordination between data sets	The breadth of available data, in every regard, as well as the functional relationship between data sets

Opportunities

Optimisation and Process Efficiency

Predictive Analytics

Cyber Security

Greater Understanding



Big Data

5 Risk Factors



Disruption – Redefining ‘Normal’

New organisations have operating models based on data as an asset, with outputs derived from that asset. Old organisations have operating models based on physical assets, creating outputs that also generate data

3 Core Considerations / Next Steps

Does Big Data fit your Risk Management model?

How and When does Big Data become an ‘asset’?

How can Big Data be used to manage Risk?



Artificial Intelligence

‘Every aspect of learning or any other feature of intelligence can be so precisely described that a machine can be made to simulate it’

Dartmouth Workshop

Machine Learning

Deep Learning

Cognitive Computing

Data Science

Machine Learning solves problems that cannot be solved by numerical means alone

Supervised machine learning: The program is “trained” on a pre-defined set of “training examples”, which then facilitate its ability to reach an accurate conclusion when given new data.

Unsupervised machine learning: The program is given a particularly large dataset and must find patterns and relationships therein.

Opportunities

Effective and Efficient Risk Identification

Adaptive Information

Remaining competitive

Appropriate Risk Management application



Artificial Intelligence

5 Risk Factors

Addressing
Data
Quality

Goal
misalignment

Over
Reliance on
AI

IT Talent

Rise of the
Machine?

Disruption – Redefining ‘Normal’

Which Industry is next for AI Disruption? For many, if not all, it is a case of when, not if

3 Core Considerations / Next Steps

Does your company have the right resource?

How is your industry looking to use AI / ML?

How can AI improve your Risk Management?



Demographics

‘Global and Local societal shifts are having a daily impact on Business risk, on occasion causing unprecedented success or damage’

Population Age

Wealth

Globalisation

Education

Health

Cyber Demographics

“Whether you’re a small, medium, or large-sized business, your brand’s health and reputation is often defined by the way you engage in public environments”

‘Why Social Media Marketing is important for any business’

About 230,000,000 results (0.68 seconds)

Opportunities

Event Insights

Communication

Claims Management

Competitor Analysis



Demographics

5 Risk Factors



Disruption – Redefining ‘Normal’

*‘Social Media: The New Normal
Ignore it to your personal and professional peril’
Kemal Brown, CEO, Digital Global Marketing*

3 Core Considerations / Next Steps

Are you involved in your Social Media strategy?

Is SM included in your Risk Management plan?

What is your response plan to a SM ‘disaster’?



Group Discussion



Does Big Data fit your Risk Management model?
How and when does Big Data become an 'asset'?
How can Big Data be used to manage risk?



Does your company have the right resource?
How is your company / industry looking to use AI / ML?
How can AI improve your Risk Management?



Are you involved in your Social Media strategy?
Is SM included in your Risk Management plan?
What is your response plan to a SM 'disaster'?

- 🌐 **What are your companies currently doing?**
- 🌐 **What more could you and your company be doing?**
- 🌐 **What is happening within your Industry?**
- 🌐 **What risks do you perceive within this area?**





Questions

Thank you for your time and participation