



Pretty Sagoo

# Continual innovation

➤ **Just Group managing director, Pretty Sagoo, talks to *Pensions Age* about the company's continual innovation, to the benefit of schemes of all sizes looking to implement a buyout deal**

**T**he bulk purchase annuity (BPA) market has skyrocketed over the past couple of years, so your arrival at Just in April 2022 was perfectly timed to capitalise on the opportunities in the market. Could you explain how, under your leadership, Just has seized upon this opportunity?

The great thing about joining Just was that there was already a quite phenome-

nal team in place. That allowed me to not have to make lots of changes in personnel. I was able to focus on the structural things we needed to do to grow. The idea was to grow because, in 2021, we'd written £1.9 billion in business and, at that time, the BPA market was £28 billion. Then, in 2022, the total market was still £28 billion and yet we grew 50 per cent, even though the market was actually flat. So that was quite important for us

to demonstrate that even when the total volumes in the market are flat, we can still grow how many deals we do.

In my personal experience, what insurers are consistently poor at is technology. If you combine actuarial, with computational and good commercial sense, that's the magic triangle. You can do amazing things.

So what we started in 2022 was a new platform build, from the ground up. Instead of outsourcing, we retrained our own people to be able to leave Excel and automate what we do, and really start looking at the end-to-end in the business.

The other thing I often observe is you have a lot of deal hubris. 'Oh, look at me, I did this big deal', that kind of thing. In pensions, our world is about taking care of the member. It's all fine and good saying, 'oh, we did this big deal', but if you haven't got all the infrastructure in the background to deal with a customer effectively, then it can come unstuck.

This is important in a growth market like BPA. You can't put all your focus on just winning deals. It has to be end to end. So that's quite important to me to make sure we don't just grow and try to do lots of deals, but that we get the end to end right, by investing in operations infrastructure.

After all, Just has already completed 400-plus deals. We've pretty much seen it all in terms of complexity. We've seen every nuance of member benefit that you can imagine.

**Could you explain the practicalities of the transformation you have overseen since 2022, both in terms of technology and personnel?**

We've doubled the size of our team over the past two and a half years. What we have also done is changed the way we recruit. We have shifted our hiring requirements; you have to have a mindset in most of our roles now where you're open-minded to embracing or using new tools, doing things differently.

On the tech front, from an infrastruc-

ture perspective, we actually have done quite a lot of engineering of the way we model cashflows.

When we first were testing our new pricing model, one scheme had 1,000 members and cashflows were running in three hours. When we took that first scheme and ran it through the new model, and we did the cashflows in 23 seconds.

For small schemes we provide a bulk quotation service, called Beacon. As a service it's still fairly unique. Other insurers, such as Aviva and PIC, have launched their own small scheme offerings. So for me it was important that we keep developing ours. Evolving that has been a core part of our mission. For us, it is important that it is as streamlined as possible and not complicated for trustees. A scheme can send their data in, and we just price the deal for them and that price would be the execution or near executable price.

But now we've developed it again, and engineered it even better. Two years ago, we had 100 schemes on it. Now it's got more than double. To achieve this, one of the vital things to do was developing it, while at the same time listening to the trustees and keeping it simple.

### **What about what you were looking to evolve in terms of Just, as a company, culturally?**

Historically Just has not been known for doing the £1 billion-plus, larger deals. This is due to us being smaller in size, as a company, within the BPA space, along with our tradition, coming from being purely a retail business where we used to sell annuities and lifetime mortgages. Basically, we are the biggest broker for selling annuities on the open market. Where we come from is we're all only about retirement, nothing else. What we say is we're here to help people live a better later life. It's all about retirement, retirement, retirement.

And now, a big aim of our growth plan is, instead of being seen as a small-

deal-only house, to be seen as a whole of market player in the BPA space.

We want to use our experience on smaller schemes to support larger schemes get the same innovative and excellent customer service that we pride ourselves on. So a lot of the work we're doing is just to demonstrate that in the market. To achieve this, what we have done is steadily and carefully grow the biggest size of the deal we've ever done. We have steadily grown that and we're going to continue to do so.

In the context of Just itself as a company, culturally, it is the nicest place I've ever worked in. This meant that I didn't have to do any fixing of culture. We're in this together, we're building the business together.

## **"We want to use our experience on smaller schemes to support larger schemes get the same innovative and excellent customer service that we pride ourselves on"**

So, from a cultural perspective, for me the biggest challenge is when you grow a business and you grow the number of people, how do you hold on to your 'pixie dust'? For me, that is the most important thing. That even as you grow, you still know everybody's name and you still know their roles and what they're doing. Because operations is only going to work really well with pricing and business development if they have a connection and they all understand where everybody fits within the process. Business development and operations are a key consideration here actually, as it comes back to that 'peacock' point. Operations has to be as prominent as business development to ensure an optimal experience for the end customer. That's

really important to me, for everybody to have equal accountability, responsibility, and also glory and responsibility for what we do. That's really important to get right. Being a purpose-driven organisation really helps galvanise everybody around what we're here to do and what our contribution is, and our focus on the member as well.

### **What were the challenges you first foresaw when you joined and have they shifted over the two-years-plus since you joined? And what will your longer-term aims be for the future?**

We have quite a huge change programme underway, which is still nowhere near complete. The big focus right now for us is data architecture. During the end-to-end bulk annuity process, there are lots of touch points on the same original set of data, so we are considering what trustees might struggle with, with that. So we are helping them get what they need out of their admin, getting it to the right quality and at the right time to help them complete the processes they're involved in.

Our focus is on the degree to which we can fix data flows and validation routines. And then we want to deliver that for the benefit of administrators and trustees, as we think that will be really powerful. That is one part of our transformation programme, and phase two involves how we transform operations. So our tech plan is to get ourselves to a place where the tools we use to assess data quality develops to the extent that a scheme may not necessarily even need to come and talk to us but can actually just use our portal themselves for their own benefit.

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