



# **Entrepreneurship & Innovation: Master's Series Lectures**

6th May 2025

**Presented by**

Mark Huxley - Worshipful Company of Entrepreneurs



# Today we'll be navigating

**01**

## **The past, present and future of our sector**

Insurance's continuing role in society

**02**

## **Entrepreneurs**

What sits behind the epithet

**03**

## **Innovation in the insurance sector**

Evolution of the market

**04**

## **Future Outlook**

Innovation opportunities

# Please Note -These are personal perspectives

## Experience-Based Insights

Today's observations draw from decades in the sector. They reflect my journey through technical roles, sector related business ownership and the associated entrepreneurial ventures.

## Entrepreneur's Lens

My Livery experience has honed my understanding of the entrepreneurial mindset across diverse sectors and personalities. Being exposed to so many successful entrepreneurs and academia, I have learned so much.

## Challenge Thinking

I am a lifelong disruptor with overactive curiosity for never saying why, but wondering why not.

You may therefore agree or disagree with my perspectives.

My goal today is to spark some fresh thinking and challenge beliefs about the status quo.

# My Professional Journey

## Entrepreneurial Ventures

Founded 11 businesses supporting the sector. They...

Pioneered **Claims TPAs** in the 90s  
**Consultancies** around Brand, Marketing, Communications, Growth and Leading  
**Insurtech** co-founder

## Advisory Roles

Non-exec chair, advisor, and mentor  
Lloyd's Lab Mentor

Specialist legal services trade body  
Philanthropy Charity chair around social inclusion

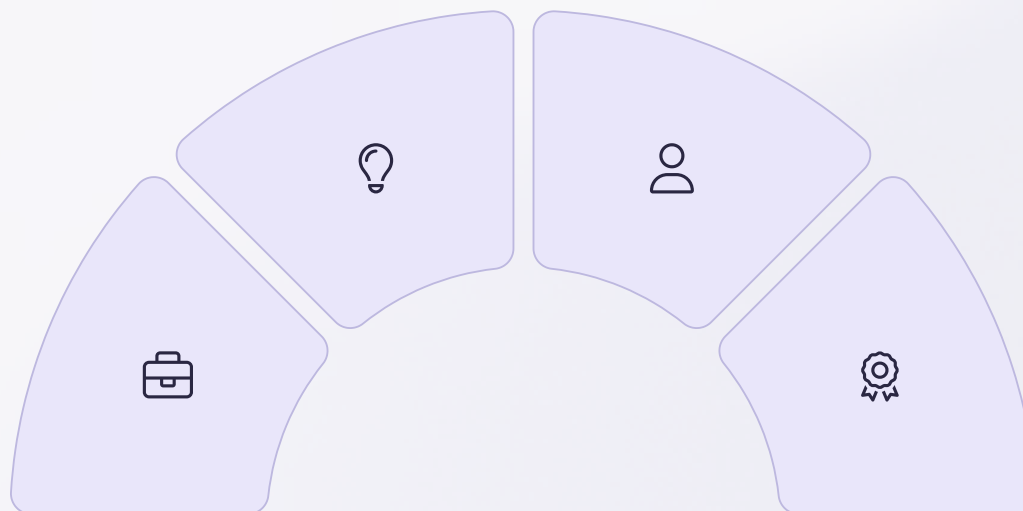
Visiting University Lecturer and Board Member

## Livery Service

Master of Entrepreneurs in 2023/24  
Trust Board Member and Chair (elect)  
Chairman FSG (July 2025)  
Supporting LM (SABTAC) & Sheriffs  
City of London 5 year SME Strategy  
City Ventures

## Insurance Career

48 years in Lloyd's & London Markets and more broadly across the whole risk and protection sectors





# The Risk & Insurance Sector

1

## **Insurance's Agency**

Insurance protects society's people, assets, and liabilities. It serves as a critical safety net.

2

## **Evolving Society Protection**

Society changes constantly, shaped by technology, global politics, and economic forces.

3

## **Real-time Response**

The insurance industry must adapt quickly to ensure smooth societal transitions.



# Insurance's Role in Society







# Historical Perspective



## Then

Pioneering spirit and entrepreneurial risk-taking defined the market.



## Transition

Market underwent structural and cultural transformation.  
Much driven by Lloyd's nadir in the 80s/90s



## Now

Corporate capital, infrastructure and mindset dominates with  
hugely different set of risk appetites.



# The Pioneer's Legacy



## Pioneering Spirit

Courageous innovation was the market's defining characteristic for centuries.



## Unique Ecosystem

Lloyd's/London differentiated itself through entrepreneurial problem-solving.



## Cultural DNA

The pioneering spirit was embedded at the core, not just as strategy.







# The Old Market Character



## Courageous Pioneers

The '58 Lloyd's Building housed micro-businesses with can-do attitudes.



## Balanced Ecosystem

Smart problem solvers worked alongside risk governors maintaining checks and balances.



## Independent Regulation

Regulatory framework supported entrepreneurial activity while protecting market integrity.

# Market Evolution – Post 1992

## Lloyd's R&R and the Financial Crisis 2008

### Positive Developments

- Increased market scale
- Year-over-year growth
- Improving combined ratios
- Regulation and accountability
- Digital transformation - welcome to the Insurtech era (More about this later)

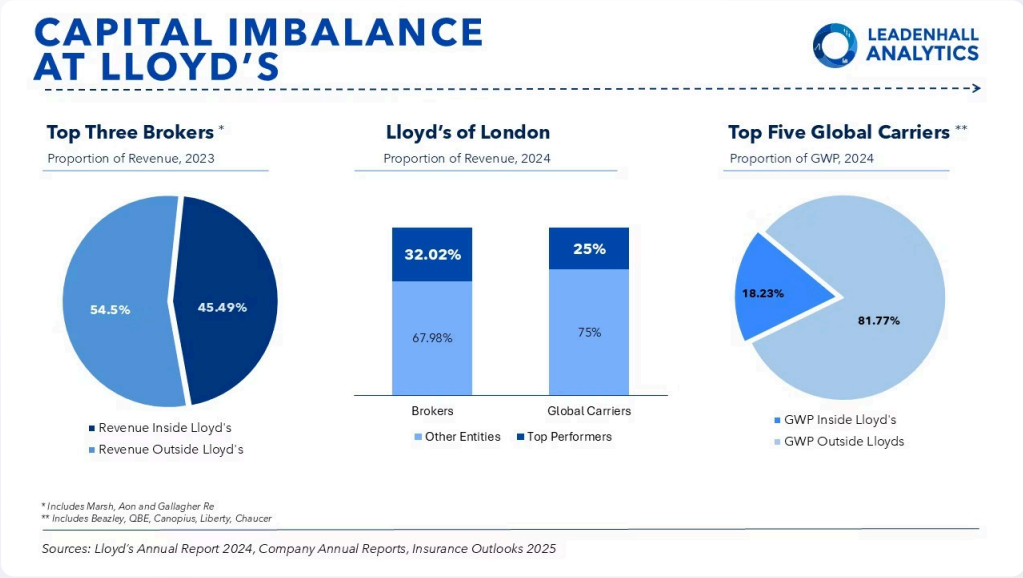
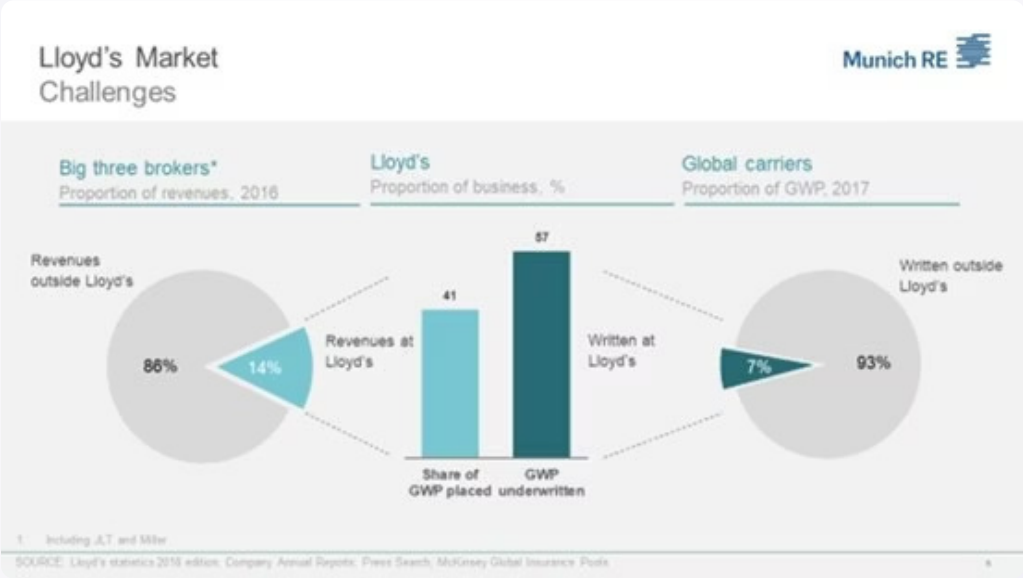
### Emerging Challenges

- Unbalanced capital structure
- Corporate risk aversion
- Shareholder-only focus
- Limited customer orientation
- Group-think culture
- Process over systems thinking



# The Capital Fine Balance

## Fully invested or a vested interest





# Let's talk Entrepreneurs

## The True Entrepreneurial Culture



### Opportunity Seekers

Entrepreneurs see possibilities where others see problems. We embrace change.



### Strategic Risk-Takers

We calculate risks carefully but aren't paralysed by fear of failure.



### Value Creators

Our focus extends beyond profit to creating meaningful value for all our stakeholders.



# Defining the Entrepreneur

## 1 Problem-Solving Focus

Entrepreneurs excel at  
recognising opportunities.  
We invent, innovate and  
take calculated risks.

## 2 Personal Attributes

Vision, passion, and determination drive our success. Resilience and self-awareness are crucial.

### 3 Value Creation

Our focus is on the end game and seeing possibilities others miss.



# The Entrepreneurial Mindset



## Growth Orientation

Entrepreneurs are opportunity-focused and comfortable with risk. We remove the safety blanket of employment and salary. We demonstrate resilience and creativity every day.



## Proactive Approach

We all exhibit confidence and curiosity in all endeavours. It's our vision to see the art of the possible that drives constant adaptation.



## Resourcefulness

Finding solutions with limited resources distinguishes this entrepreneurial mindset. We truly see constraints as opportunities.







# Neurodivergent Entrepreneurs

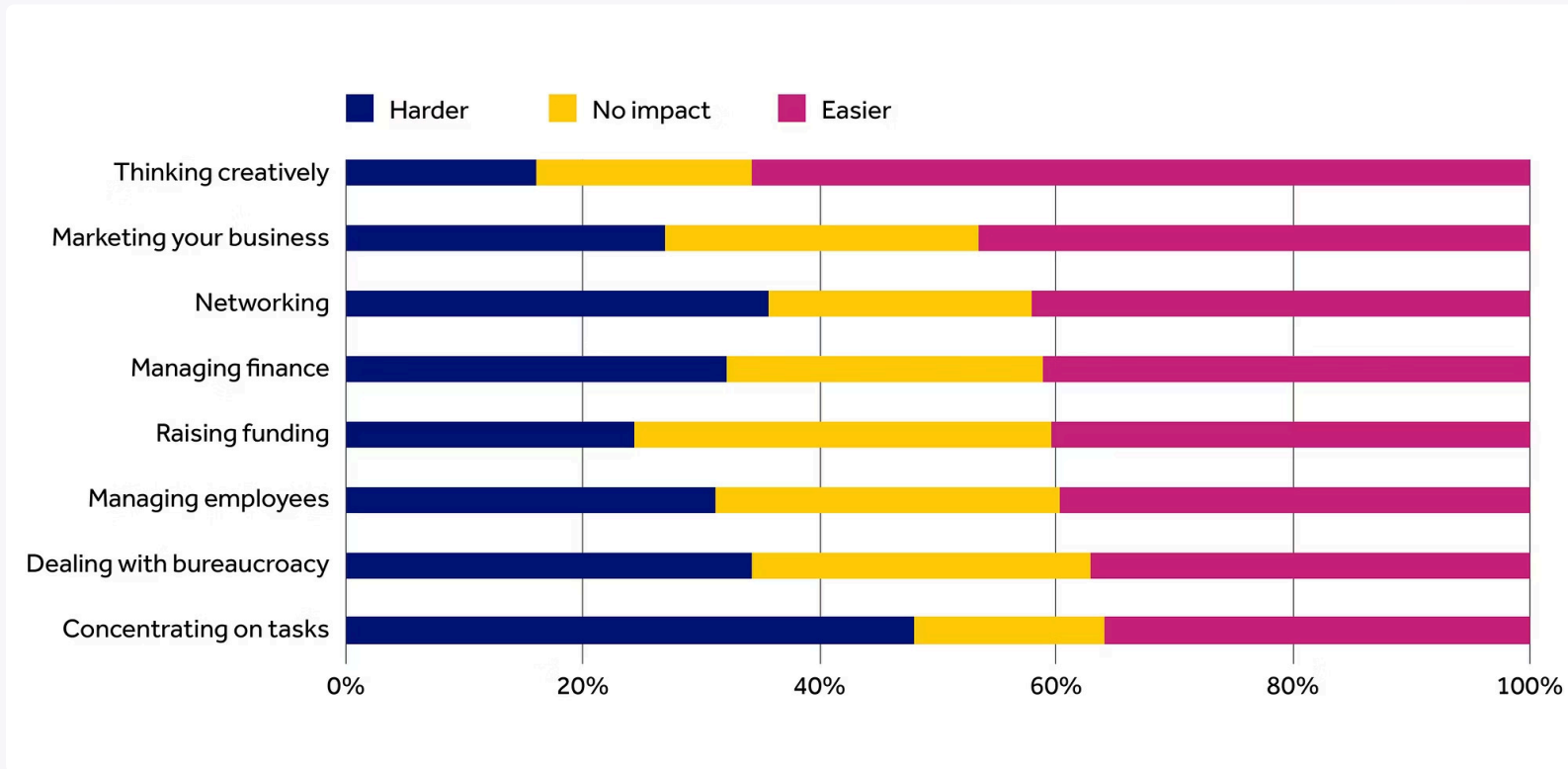
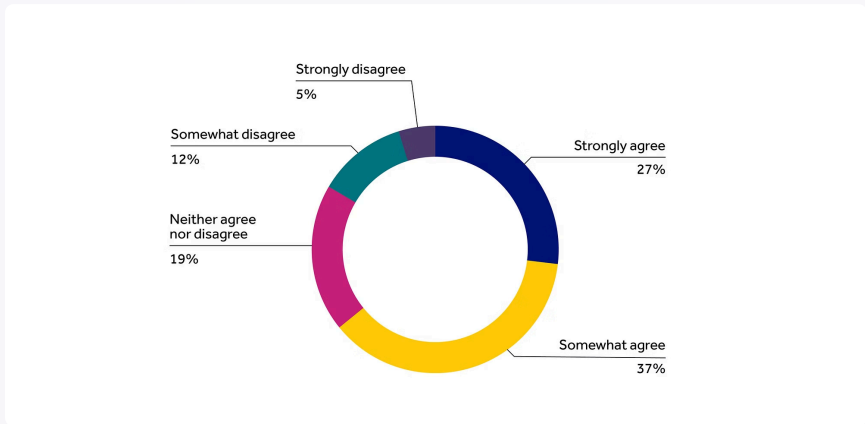
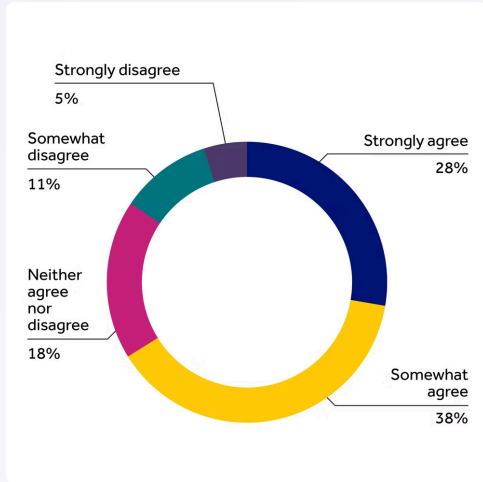
## Unique Capabilities

- Exceptional pattern recognition
- Ability to hyperfocus
- Enhanced creativity
- Strong ethical compass

## Statistical Reality

Research shows higher prevalence of ADHD, dyslexia, and autism among successful entrepreneurs than in the general population.

These traits are increasingly recognized as business superpowers that drive innovative problem-solving.



**Top Left:** Most neurodiverse founders struggled to find employment before starting their business.

**Top Right:** Nearly two thirds of neurodiverse founders felt starting a business of their own was the only way they could make a living.

**Left:** Neurodiverse founders tend to think their neurodiversity makes a range of tasks easier, though not all.

Source: *The Entrepreneurs Network - Neurodiverse Founders*  
<https://www.tenentrepreneurs.org/neurodiverse-founders-1>

# Insurtechs and Their New Brand Paradigm

## Brand Purpose

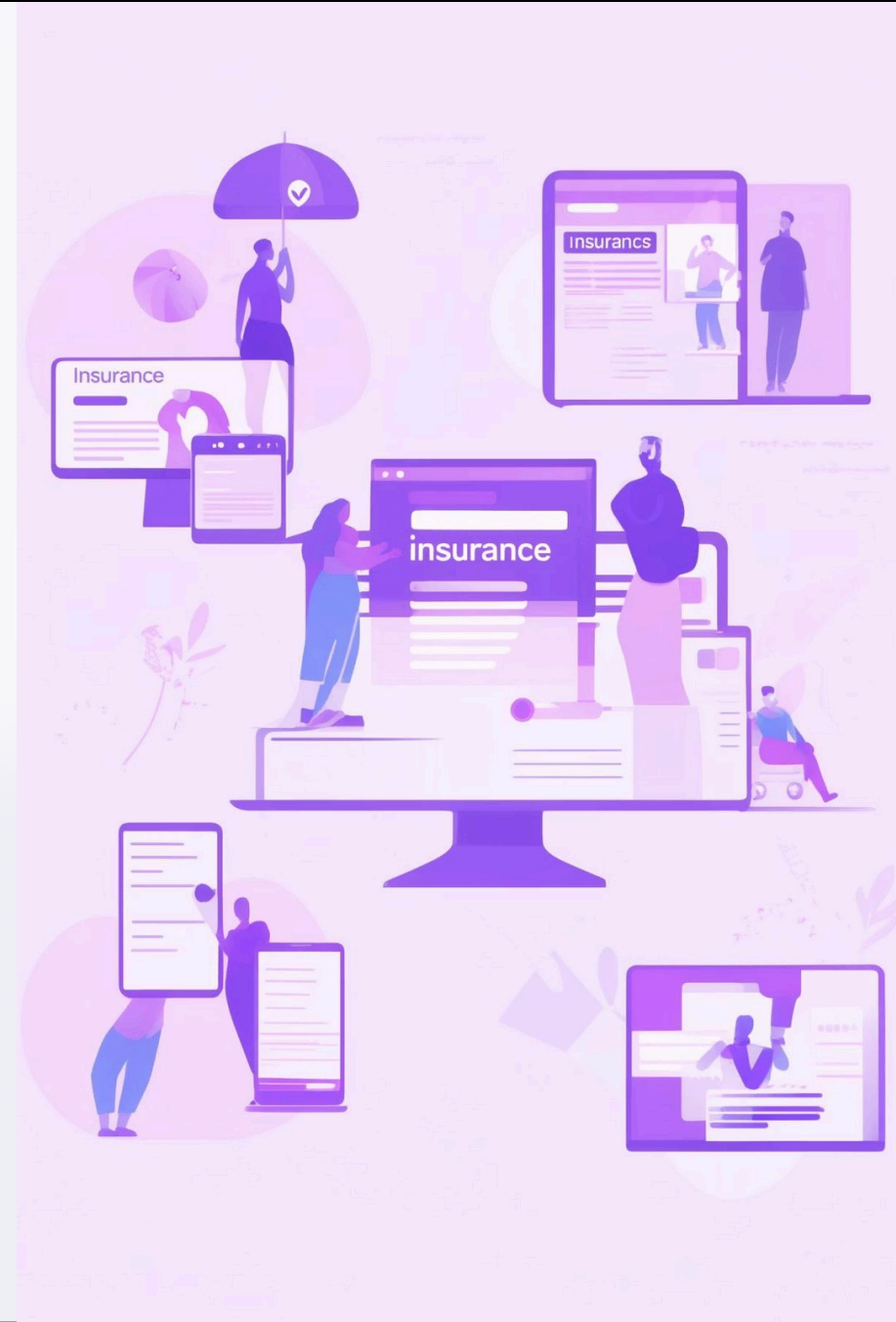
Today's brands must be authentic, compelling, and excellent. People follow causes, not just products. Insurtechs exemplify this.

## Emotional Engagement

Successful brands build deep connections beyond transactions. They create meaningful experiences. Monoline businesses focus upon this

## Stakeholder Value

The shift from shareholder to stakeholder focus is transforming business models. Welcome to the knowledge era, where complex tools are used to understand and solve single problems.





# Innovation Benefits



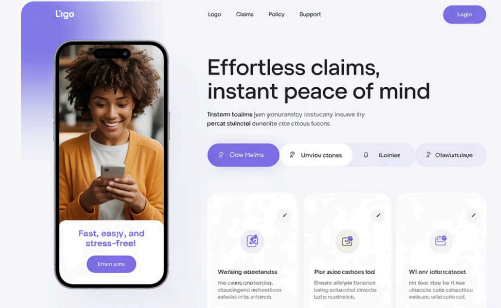
## Innovation-Led Growth

Appropriate products and service efficiencies drive market expansion.



## Enhanced Risk Insights

Superior Ai and data analytics create knowledge for better risk mitigation, solving the right problems



## Customer Experience

Optimised services that meet customer expectations, especially relevant in claims processing.



## Problem-Solving Culture

Deep curiosity unlocks innovation potential across the business. Solving the unknown problems (at pace)

# Is this stalling? The insurtech investment dilemma

NTT Data Report - Insurtech Global  
Outlook 2025  
<https://uk.nttdata.com/insights/reports/insurtech-global-outlook-2025>

- A stark reduction in investment
- Does this bear out insurtech hype commentary or other trends
- This indicates that it is due to an underlying trend of looking to maturity (certainty) rather than supporting startups (uncertainty)
- This belies an appetite trend for digital transformation and customer service reimagination, which will be driven by innovation and invention

5 INSURTECH FUNDING

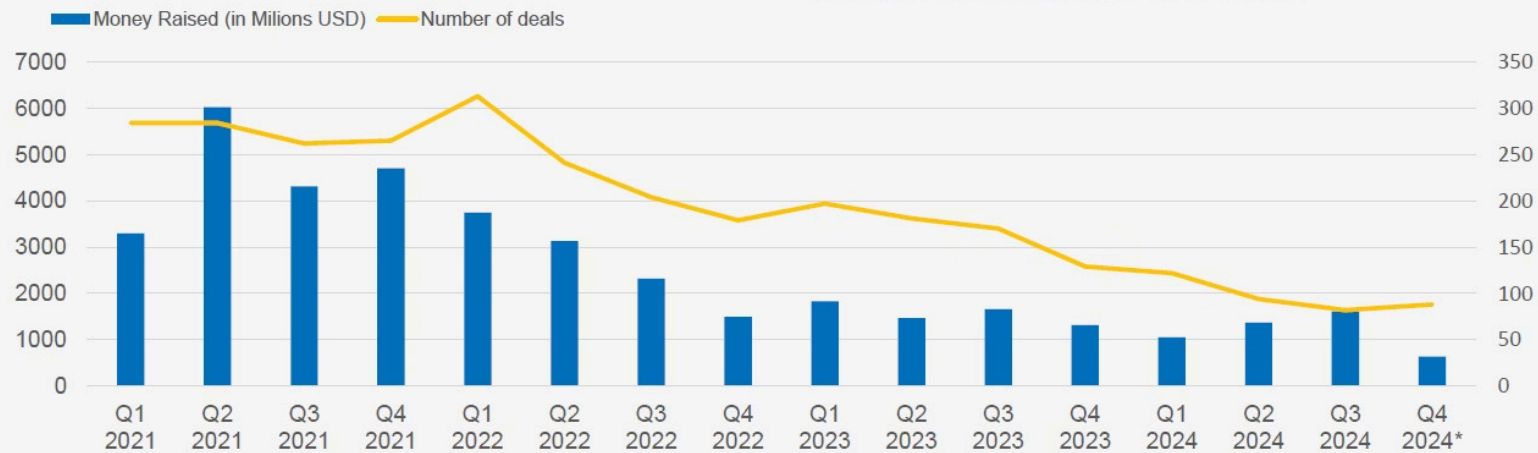
NTT DATA

Despite the recent decline in investment, the impact of Insurtech is undeniable. With \$40 billion invested globally in Insurtech over the past four years, it's clear that these companies are becoming an essential force in the transformation of the insurance industry.

The bar chart on the shows a timeline from 2021 to 2024, with quarterly investment amounts displayed in millions of USD. These bars represent the peak reached in 2021.

This period marks the highest levels of investment, likely driven by increasing interest in digital transformation within the insurance sector. Beginning in 2022, there is a noticeable shift, with investment levels declining. This reduction may be attributed to several factors, such as market saturation, economic uncertainty, or a maturing Insurtech landscape where investors are more selective in their choices.

INSURTECH MONEY RAISED AND NUMBER OF DEALS



Made by the authors. Graph 1

# The insurtech investment dilemma - further proof

- "A preference for business and technology maturity"
- "Alignment with proven solutions"
- Startups must rethink their approaches"
- "Focus on achieving sustainable, long-term impact"
- **But how can they do that if nobody is willing to take a chance on them, incubating and supporting?**
- **Cash is king... especially for a startup. No wonder there is a high fail rate**

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INSURER'S BETS

EVOLUTION

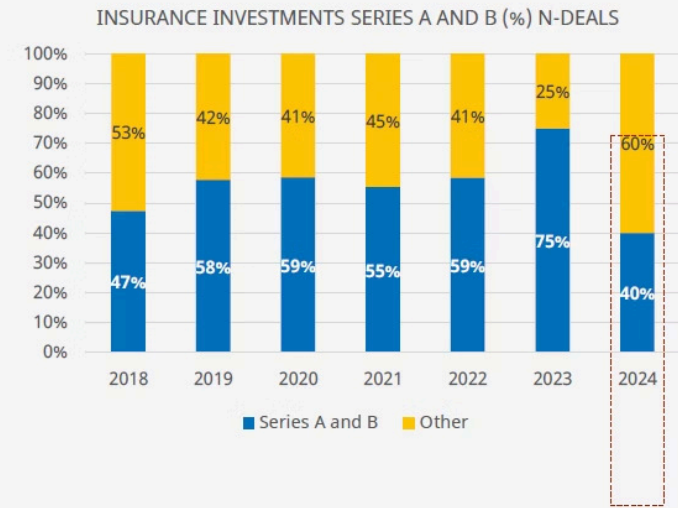
NTT DATA

The insurer's funding landscape shifted dramatically. Late-stage startups now attract 60% of insurer investments, up from 25% in 2023. This reflects a preference for business and technology maturity, with insurers seeking near-term impact and alignment with proven solutions. Startups must adjust their strategies accordingly to thrive.

In 2024, the insurance investment landscape experienced a major shift, particularly in funding allocation across different series.

Funding for Series A and B rounds saw a significant decline, indicating reduced support for early-stage startups. This shift reflects a changing Insurtech sector, where investors are moving away from early-stage opportunities to prioritize more mature ventures with proven potential.

To adapt to this evolving landscape, both startups and investors must rethink their approaches, emphasizing agility, innovative solutions, and strategies that focus on achieving sustainable, long-term impact.





# Wants and Needs

- "Digital transformation is imperative"
- "Customer experience is still a competitive differentiator"
- "Efficiency" drives better OPEX and bottom line COR
- **Can these be achieved by the same people hard wired in the sector, fully understanding and truly driving these changes from the ground up?**
- **Surely this is where the agile, bright young entrants, without engrained prejudice can drive change**

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SURVEY

PART 1: MARKET DYNAMICS

NTT DATA

## Top Three Priorities for Organization in the Upcoming Year

In 2025, the industry is clearly focused on digital transformation, customer experience, and cost reduction.

- Digital Transformation is imperative for survival in the age of AI, IoT and cloud-based platforms.
- Customer Experience is still a competitive differentiator with the growing demand for, hyper-personalization.

- Operational Efficiency remains crucial because of the volatility in the market and the profitability pressures.

Less prioritized areas including Sustainability and ESG initiatives, Talent Acquisition and Retention, or Culture Shift suggesting a more immediate focus on short term performance, than preparing for long term vulnerabilities.



N=43 Insurance C-Level Executives answering.  
Q: What are the top three priorities for your organization in the upcoming year?  
Source: Insurtech Global Outlook Survey Report 2025  
Note: Respondents could select up to 3 options

# The Innovation Barriers That I Too Often Witness in the Insurance Sector

## Risk Aversion

Excessive caution stifling experimentation

## Lost Pioneering Spirit

A visibly diminished appetite for true innovation



## Control Culture

Over-controlling environment of governance and conduct risk limits creativity

## Process Fixation

Focus on **process** over **systems** thinking. Leads to a lack of **design** culture

# The funding crisis

There is a widely acknowledged problem in the UK concerning mid-seed funding for new and emerging businesses, often referred to as the **"equity gap"** or **"scale-up gap."** This issue persists despite the UK having a relatively strong early-stage funding ecosystem.

- **Strong Early Stage vs. Later Stage Funding:** The UK generally has a good supply of pre-seed and seed funding, often supported by angel investors, government schemes like SEIS/EIS, and early-stage venture capital. However, as these businesses look to scale beyond the initial stages and require larger "mid-seed" or "Series A" funding rounds (typically between £1 million and £10 million, though definitions can vary), they often encounter a significant shortage of available capital.
- **Smaller Deal Sizes and Fragmented Rounds:** Compared to markets like the US, UK startups often experience smaller average deal sizes and more fragmented funding rounds. This means they might need to undertake more fundraising rounds to reach the same level of capital, which can be time-consuming and dilute equity more quickly.
- **Risk Aversion:** Some UK investors can be more risk-averse compared to their counterparts in other regions, making them hesitant to invest larger sums in companies that haven't yet demonstrated significant traction or profitability.
- **Limited Availability of Patient Capital:** There's a perceived lack of "patient capital" – investment willing to support longer-term growth and potentially longer paths to profitability, which is crucial for deep tech or other innovation-heavy startups.
- **London-Centricity:** While not solely a mid-seed issue, the concentration of venture capital firms in London can make it harder for startups based in other regions to access the funding they need.
- **Economic Headwinds:** Broader economic conditions, such as higher interest rates and reduced risk appetite among investors, can exacerbate the challenges in securing mid-seed funding.
- **Complexity and Administrative Burden:** Some businesses report that the complexity and administrative burden associated with accessing funding can be a significant barrier.



# And its effects

- **Slower Growth:** Promising startups may be forced to scale more slowly than desired due to a lack of capital.
- **Premature Exits:** Some companies might be acquired earlier than optimal because they cannot secure the funding needed for further independent growth.
- **Overseas Relocation:** High-growth potential companies might consider relocating to regions with more readily available growth capital.
- **"Unicorn Gap":** The UK has fewer "unicorns" (companies valued at over \$1 billion) compared to some other leading innovation economies, which some attribute partly to this funding gap hindering scaling.

## Efforts to Address the Problem:

The UK government and various organisations are aware of this issue and have implemented measures to at least try and bridge the gap:

- **Government-backed initiatives:** The British Business Bank, for example, plays a role in supporting the venture capital ecosystem.
- **Tax incentives:** Schemes like EIS and VCTs aim to encourage investment in growth-oriented businesses.
- **Efforts to attract international investors:** There is a growing recognition of the need to tap into global capital pools.

**The UK boasts a vibrant startup scene and a strong early-stage funding environment, however this significant problem persists in securing mid-seed funding for new and emerging businesses. This "equity gap" hinders their growth potential and will undoubtedly have broader implications for the UK's innovation economy.**

*In my own work in the last year or so I've had 3 angel investments fold, a similar number of mentees (some from the Lab) actively talking about giving up and countless others (Lab and wider) limp along desperately trying to get some client engagement, begging for working capital and anecdotally this continuing for 2 to 3 years to achieve it. Not a great optic for innovation and transformation*



# Moving the Needle of Change - Creating an Innovation Culture



## Embrace Experimentation

Adopt fail-fast methodologies. Shift from process to systems thinking.



## Lessons From Places like the Lloyd's Lab

Integrate Lab style thinking into broader operations. Amplify your authentic, distinctive brand value. Demarcate and truly be yourself. Create your third place.



## Foster Entrepreneurial Thinking

Build an internal culture from the top down. Curiosity and pioneering spirit must start there and be embedded throughout subconsciously, living it every day. Cultivate intrapreneurship within your organisations.



## Properly Invest in Innovation - Financially and Emotionally

Demonstrably the next-gen startups are reshaping insurance. Support and learn from them. They need incubating, including much earlier financial investment. There is a real fail point in not supporting them as it falsely maintains the status quo.

# Some Final Reflection Points



## Understanding Differences

Distinguish between innovation, being entrepreneurial, and being an entrepreneur.



## Value Neurodiversity

Do you truly embrace neurodiversity? Are you making opportunities equally available?



## Cultural Integration

Is innovation embedded as culture, not just strategy? How intrapreneurial is your organisation?



## Historical Perspective

How can our shared entrepreneurial heritage best inform today's innovation efforts?

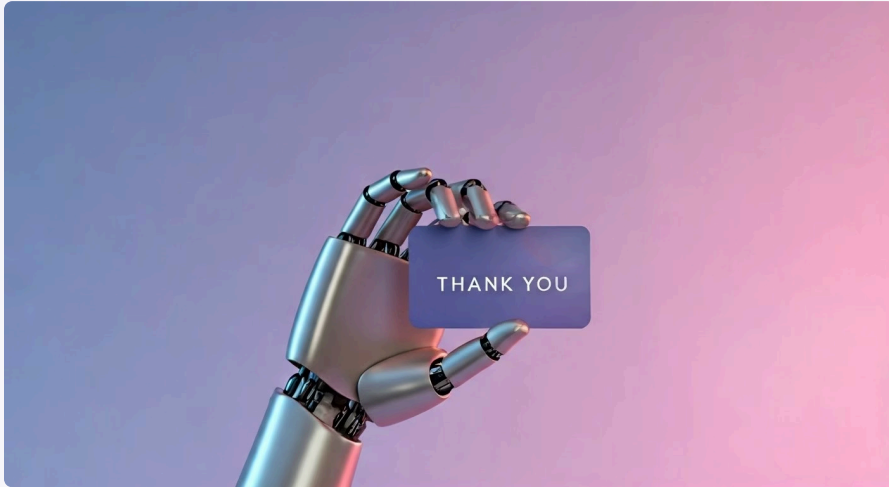


## Startup Support

Are we providing meaningful backing to early-stage innovators? Especially financial as investors or customers.



# Thank you for listening...



## Questions Welcome

I'm happy to discuss any aspect of today's presentation.

## Stay Connected

Feel free to reach out for further conversations on entrepreneurship and innovation.

## Collaboration Opportunities

We at the Entrepreneurs always welcome discussions about mentorship and innovation partnerships.



### Honour the past

Remember and take lessons from our entrepreneurial led and pioneering heritage



### Innovate the present

Embed an entrepreneurial mindset across the whole of your organisation - root and branch



### Be the real architects of the future

Embrace and be the drivers of positive change