

Insurance: the future will be transformed by human capital



With lots of technological ‘disruptions’ happening in the insurance industry, it needs to look at how to ‘insure’ its own future. The industry, inter alia, also needs to ensure that its ‘human-power’ is adaptable and competent, though how technology disruptions will unfold is unknown and unpredictable. *Asia Insurance Review* speaks to some insurance HR professionals for their views on how best the industry can marshal its present and future human resource to its best advantage.

By Anoop Khanna

Digital transformation is driving a profound change in the insurance industry. Technology is impacting how value gets created in the industry. It is ‘eating away’ the traditional model where insurers create value by offering loss protection. Technology is today opening up new value creation opportunities through risk mitigation and loss prevention.

Evolution of technology is unpredictable

It is well-nigh impossible to predict precisely how the range of technologies, wearables, mobile devices, big data, AI, marketing automation, IoT and many more will unfold and what other technologies might emerge over the future.

Emerging technologies such as blockchain, machine learning, software robotics offer a lot of ‘automation’ possibilities and have changed both the way insurers do business today and customer habits.

According to Willis Towers Watson’s ‘Global Future of Work

Survey’, 57% of companies globally say that the goal of automation technologies is to augment human performance. Sixty eight per cent of companies also indicate that they do not use automation technologies to drive autonomous work completion.

Asia is the hunting ground for talent

It is now recognised globally that Asia is the growth sector for insurance and a hunting ground for all (re) insurance companies. The future of the industry will remain competitive. Along with technical partnerships and new emerging risks such as driverless cars, cloud hacking plus other unknown types of future risks, the future talent pool will need to be comfortable having to deal with ‘unknowns’.

Willis Tower Watson director talent consulting Abhishek Mittal said, “Our recent research shows that emerging jobs and jobs in high demand in the industry are technology-related and especially data-oriented. Analytics and automation technology jobs are



seeing the largest increases in demand in recent years.

“Our hypothesis is that jobs that will gain more focus would also include roles related to developing underwriting solutions based on cognitive computing, specialty insurance such as cyber risk, drone cover, long term health and delivering customer experience across digital platforms,” he said.

Bajaj Allianz General Insurance chief HR officer Vikramjeet Singh said, “These are exciting times for the industry and the insurers that will thrive will be the ones who embrace the opportunity that digitisation offers to reinvent how to serve and engage their customers.”

“With the changing ecosystem, customer needs are evolving, and they want better products and services, in the easiest and quickest possible manner. To deal with such customers, there is a need to have a very unique skill set requirement in insurance employees, strong digital orientation clubbed with virtual behaviour to address customer need,” he said.

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Mr Abhishek Mittal



Mr Vikramjeet Singh



Mr Ranjit Jatar



Mr Sarinder Chhabra



Mr Ruben Salvadoray

Industry could see sea changes in the years ahead

Executive search specialist in insurance Ranjit Jatar said, “A tornado is brewing in this industry. New technology is going to change this industry in a few years. A new order is likely to emerge sharply which will be superior in productivity, have significantly lower system costs and have humans doing more satisfying and superior intellect jobs. Expect a one-way Masai migration of existing roles.

“While the grunt work will fall on the lap of the machine, the machine handlers will need to be highly skilled to manage the machines. The workforce will need to have competencies to assimilate data and the emotional quotient behind the data and use it to get business and to retain it,” he said.

CXC Solutions president and CEO Sarinder Chhabra, however, has a contrarian view of technology driving change in the insurance industry. He said, “It is multi-dimensional factors that are transforming the insurance business environment. Millennials, being a major part of the workforce (present and potential), their changing insurance needs and benefits playing a major role, aware-

ness and collaboration emerging along with social media, distributed work environments and matrix organisations; all these combined with the technological advances are transforming the insurance industry.”

The insurance industry has a lot of data and predictive tools that can be leveraged to obtain and maintain a good talent base. A well-rounded professional that can combine the old school knowledge with the new world and its needs, support the new generation and leverage available tools will be the desirable talent for the years ahead.

Mr Chhabra said, “The need for insurance and benefits is increasing and the dependence on human resource professionals will be important for the insurance workforce in the years ahead. The insurance industry should reinvent itself as a learning organisation.”

Bajaj Allianz Life Insurance chief human resource officer Ruben Salvadoray said, “Given millennials would become a dominant composition of the insurance workforce, reimagining the employee experience and value proposition would become fundamental to attract, retain and engage talent which would be a physical and

digital eco-system. We would need to ensure that in this ecosystem multi-generational workforce can co-exist and, in fact, complement each other with experience, wisdom and digital and new age abilities.”

Disruptions are exciting

Gen Re India country head (non-life) Nighat Khan sees the ‘technological disruptions’ in the insurance industry as very exciting “History shows us that new industry disruptions present career opportunities previously unknown and unforeseen. Roles will mushroom to support these initiatives, we should all be excited by this prospect,” she said.

“Today’s technology is being interwoven into everyday actions, via Alexa, Siri and others and it is no doubt that a futuristic company with elements of Google or Amazon will provide a simplistic way to purchase and service insurance products,” she said.

Swiss Re managing director, head of life and health products Asia Daisy Ning said, “The evolution of technical developments will inevitably free up the human capacity to focus on more ambiguous and intricate tasks that still require higher levels of human judgment and intervention.

“The key to success is to evolve from a retrospective approach to predict the future, to become more future looking. With surging demands for tailored solutions and emerging risks, a future-ready actuary will need to be able to analyse human behaviours, synthesise insights and guide senior management to adopt new problem-solving methodology with well-informed analysis.”

Relationships will always be in vogue

GIC Re general manager human resource Devesh Srivastava said,

“Our hypothesis is that jobs that will gain more focus would also include roles related to developing underwriting solutions based on cognitive computing, specialty insurance such as cyber risk, drone cover, long term health and delivering customer experience across digital platforms.”

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Ms Nighat Khan



Ms Daisy Ning



Mr Devesh Srivastava



Mrs Sharon Ooi



Ms Julie Harrison



Ms Raquel Gonzalez

“Ours is a business of relationships and no amount of automation would dilute that aspect. No doubt these factors (technological innovations) would help and assist the underwriters take more informed decisions and view the risk in a different light altogether, but the relationship aspect would remain. Relationships are very vital and essential enablers in (re) insurance industry.”

Echoing Mr Srivastava’s views Mr Singh said, “Insurance is a business of insuring risk and paying claims, but empathy and ability to connect with the customers play a major role. Hence, we look at someone who comes with these behavioural traits and is upbeat with latest and relevant skills.”

Mr Jatar said every role in the insurance industry will need to evolve and adapt. In fact, even the machines will need to be made more ‘human’. “A bot will need a bot trainer to perceive irritation in a client who calls.” He said, “Accenture in its innovation lab is already working on things like empathy to be perceived by a machine.”

Mr Srivastava said, “The new roles would possibly include one of a ‘super cop’ who would be examining the validity and reliability of the automated processes and seek ways to further hone it.”

Some roles will become better with AI and robotic process automation as

people are released from mundane and repetitive tasks to become analysts. Ms Khan said, “It is no wonder that many CEOs have come via an actuarial or CFO route in today’s Fortune 500 companies.”

Skills for future talent

“Skills for future employees are to be able to analyse, interpret and conclude trends early in sales, claims and product innovation and to know when and which processes have to be automated and which areas still require a ‘human mind of reasoning,’” she said.

Swiss Re managing director, head P&C underwriting Asia and ANZ Sharon Ooi said, “A mind-set change is needed to include different perspectives that bring about better decisions and outcomes for business.

“Technology has made it possible to perform certain types of underwriting tasks efficiently through automation and different roles have begun to evolve. This evolution will enable an underwriter to understand complex risks better and how they come about, and in the process develop better strategic judgment on how to approach such risks effectively,” Ms Ooi said.

Collaboration by HR would be important

Speaking about the role of human resource desks in insurance organ-

isations, Mr Mittal said, “HR leaders should assess the ‘job families’ and roles which will drive incremental value and will be crucial for strategy implementation.

“Depending on the internal and external talent supply, they would also need to be adept at deconstructing and reconstructing work activities. This will allow them to think about non-traditional means of getting work done in instances where the talent supply is limited.

“HR would leverage on online talent platforms, gig workers, partnerships and such avenues. HR would need to evolve the concept of the employee value proposition to ‘talent’ value proposition. They would need to gear up their procedures and processes to accommodate full-time employees, as well as the on-demand workforce which will help deliver the strategy,” he said.

Mr Singh said, “Insurance HR need to take note of two aspects. Firstly, with technology taking a centre stage in the evolution of the insurance industry, there will be new job roles like data engineers, data scientists, cloud computing specialists and more with domain expertise to work in tandem with the existing structure to meet the expectations of the customers. Secondly, compared to other sectors, insurance industry is growing exponentially and hence there will be a conscious effort to attract talent from other related industries as well.”

“HR departments will need to become more active on social media, review hiring parameters and degree qualifications in the future to ensure that the correct fit of people is brought in. Diversity and challenging the norm will be important to success in the future, without it, they should be prepared to remain a legacy,” said Ms Khan.

Recruiting and retaining talented people is crucial in an ever-competitive marketplace and should always be a priority. Allianz Asia regional chief HR officer Julie Harrison said Allianz supports its workforce in a number of ways including “providing access to online development resources such as LinkedIn Learning. Here, employees have the opportunity to upskill on the move, broaden their knowledge

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and grow their insight, a win-win for the individual and the company.”

Mr Jatar said, “It is sad that many HR folk in this industry aren’t looking beyond their noses. HR and senior management, if complacent and not proactively evolving traditional templates for underwriting, servicing, claims management, risk assessment and so on, will rapidly lead their companies to be part of

future archaeological sites.”

Swiss Re director, head of solutions, group life and health Asia Raquel Gonzalez said, “As the (re)insurance industry embraces technology to assess and manage risks more effectively, we also anticipate wider public-private partnerships across sectors and regulatory reforms in enabling all stakeholders to continue insuring

the changing world.

Ultimately as the insurance industry evolves, beyond recruiting people, a lot will depend on the role of leaders and managers in leading the organisations in new ways of working. Building clarity around the future, confidence in the strategy and a sense of community would be important to driving success.■

Insurance: Jobs need to be branded better

Asia Insurance Review spoke to Stephan Best, a young insurance professional from Frankfurt, Germany about his perception of how the insurance industry can be ‘tomorrow-ready’ as the ‘war-for-talent’ brews.



Mr Stephen Best

Mr Best, with over a decade’s experience in the industry, is currently serving as senior vice president of an insurance company dealing mainly with the construction industry. To bring young blood into the industry, he suggests improving the branding of the variety of jobs the insurance industry has on offer for new entrants.

Mr Best said, “Considering the tremendous technological and organisational possibilities already available and in development, the insurance landscape will change dramatically within the next few years.

standardised commercial insurance, less so in the corporate segment,” he said.

Marketing insurance

About marketing of insurance Mr Best said, “Marketing will be tailored to individual and smaller potential customer groups using pull marketing and social-media based approaches which will be mainstream. Underwriting and pricing can rely on more comprehensive and better data provided by new sources available and existing information will be more intelligently connected.”

“Claims are done largely by customers themselves, entering data using online tools and will be settled within seconds by AI in most cases. Operations will change significantly by automated policy issuance and working processes,” he said.

Mr Best said a new kind of customer service that has a great chance to satisfy the needs of a more individualistic customer base that needs both, financial and risk advice in a faster paced and more complex world, would be required.

“By better understanding the customer needs, insurance companies will be able to develop new value propositions for services currently not available, or for risks not insurable today. If these solutions will be able to compete successfully with the upcoming players outside of financial services – then new roles focusing on personal services can emerge for all customer segments.”

InsurTechs will steal a march

“The substantial number of successfully operating InsurTechs will help foster this development. Some of the incumbent insurance players that are slow to embrace change will disappear, while some clever InsurTechs will be able to position themselves as insurance champions,” said Mr Best.

“I hope our industry will embrace the vast opportunities of the upcoming changes and truly become a client-centric business; making it delightful for customers to buy insurance, get outstanding service, quick and easy claim settlement– all of this with a customer experience that helps improve the reputation of insurance services.”

Jobs will diversify

Speaking about employee perspective Mr Best said, “Tremendous changes will occur. More than half of the people now working in insurance will do different jobs within or outside of the industry. We will see far fewer people in all functions except IT-related jobs, compared with the numbers today in developed economies. In emerging countries with a focus on Asia, there will be a continuing trend of an increasing workforce for insurance services. This will affect their respective home countries and offshore business.”

“Sales will take place to a significantly higher degree on online channels, supported by aids such as automated advisors like bots. These tools will help customers in choosing the appropriate coverage, mainly in private lines and

War-for-talent has started

“Before the ‘war for talent’ started, the insurance industry had issues getting enough high calibre candidates; due to the perception that dealing with insurance is boring and somehow unethical because of unhealthy sales practices and unsatisfying claims settlement. Overcoming these reputational issues by both providing sales and claims procedures perceived as transparent and fair remains essential to make insurance an attractive field for high potential individuals.”

Jobs will need to be branded

Mr Best said, “Significantly improving the branding of expert jobs such as insurance adviser or underwriter, by using long-term campaigns and being in constant touch, in particular with young people will help motivate them to work in one of the most diversified and exciting industries.”