

## Loss of Indian science was a gain for the Indian insurance industry

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*Asia Insurance Review* caught up with **Mr Tapan Singhel**, MD & CEO, **Bajaj Allianz General Insurance Company**, who was recognised as a LinkedIn Power Profile for the third consecutive year – a hat trick! In this exclusive, the insurance stalwart shares his thoughts on a variety of issues including digitalisation and building good corporate culture.

By Anoop Khanna

More often than not, circumstances, rather than destiny shapes one's future. For Mr Singhel, it was chance, in the form of a friendly challenge he recounts, that directed him to the business. "I always wanted to be a scientist and was trained to be one. However, a challenge by a friend that I won got me into insurance."

### **"Mumbai taught me the business of insurance"**

It was in 1991 that he sat the entrance exam for a public sector general insurance company as a friendly challenge. Upon selection, Mr Singhel landed his first job with New India Assurance in Mumbai.

After 26 successful years in the insurance industry, he is grateful: "Mumbai, the financial capital of India, is a place where dreams get converted into reality. It was in this city where I learnt about business, and since then there has been no looking back."

**Being in insurance enables him to contribute to society**

Saying that he could contribute a lot to the society by being in the insurance sector, “perhaps a lot more than as a scientist”, Mr Singhel added: “Insurance is a very important service, integral to the customer during their times of distress and need.”

### **Social media offers a powerful platform**

On being nominated as a Power Profile on LinkedIn platform for three years in a row, Mr Singhel said: “I have always believed that ‘digital’ serves as a great medium and social media offers a powerful platform to communicate and motivate my employees, agents and partners. I have, therefore, made consistent efforts to be accessible on social media through my blog and platforms, such as LinkedIn and Twitter, to consistently communicate with all the stakeholders.”

### **Industry IPOs will bring transparency**

Today, the Indian insurance industry is on the throes of creating another landmark – insurance IPOs worth US\$6 billion are in the offing during the current fiscal year, and Mr Singhel sees it as a very positive step for the industry. “It will bring in more disclosures and transparency in the industry.”

Mr Singhel is hopeful that “the stock exchange listing will force the industry to bring in underwriting discipline and ensure that companies make money from their core business, rather than purely relying on generating investment profits.”

“The Indian insurance industry has been reeling from on-going price wars,” he added.

### **Risk mitigation & loss prevention should be the way ahead**

The industry veteran also commended the momentum of growth of Indian economy, and particularly the local insurance industry. He said: “In a constantly changing risk environment, however, insurers also need to play a strong role as risk mitigators. The traditional way of using historical data to assess future exposure is insufficient, at least not in such an evolving environment.”

### **Digitalisation and IoT will be the way ahead**

He elaborated on the increasing penetration of wireless internet services that is resulting in an ever-increasing number of connected devices in our lives. “The emergence of connected devices and Internet of Things (IoT), and the phenomenon of using sensors to detect behaviour and packing an internet connection into any physical object, have huge implications for the insurance industry, particularly with the use of with telematics in motor insurance and health insurance.”

“Actuaries can use these IoT connected devices to assess individuals’ lifestyles and choices for better precision, not just in the pricing of insurance policies, but also to help them better understand and manage these risks,” he said.

### **Emerging risks need innovation and adaptability**

Speaking about innovation and adaptability in the insurance industry, Mr Singhel said: “Insurers are constantly adapting according to the evolving risk landscape and innovating their product portfolio with customised products and new age products, such as cyber insurance to play an active role in helping clients understand and preventing perils.”

### **Good corporate engagement crucial for talent retention**

On work culture, he noted that it is necessary to have a conducive work culture in the organisation. “Bajaj Allianz General Insurance Company (BAGIC) has the highest retention ratio with employees serving an average of around 4.5 years. We have an open culture in the company and employees at all levels can interact with leaders to seek insights and exchange ideas.”

He added: "Collaboration and communication is of utmost importance here and we have several initiatives to promote this culture, such as email feedback to the CEO, town hall meetings, engagement surveys etc. We also established Excellence Awards & Champions Awards to recognise the efforts and contributions made by employees." A

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