



Empowering the insurance workforce of the future

The disruptive forces shaping the future of the insurance industry are familiar to everyone working in the sector. The post-pandemic environment has only multiplied the effects of massive changes in technology, increasing competition, evolving customer expectations and ever-greater regulatory demands. Insurers must walk a careful line between maintaining current services and embracing the technological, cultural and structural innovation that will be required to survive and thrive over the long term.

Although the implementation of new technology will drive much of the change, insurance leaders will succeed or fail to the degree to which they empower and motivate their people. There is a need to re-skill many staff and attract a new breed of talent to create the capacity for innovation initiatives. Yet how should companies approach this challenge? The first step is to engage critically with this reality and implement forward-thinking strategies to position themselves at the forefront of the coming workforce revolution as an employer of choice, while supporting a sustainable operating model and winning the customer battle.



Re-skilling for ‘super roles’ in the hybrid insurance workforce

The insurance sector is typically data-driven and process-heavy, and is in the process of an earthshaking workforce transformation as wide-ranging automation technologies assume manual tasks across the insurance value chain. Many functions and related jobs are being reimaged. Multiple automation technologies such as Artificial Intelligence and Robotic Process Automation are combining in an Intelligent Automation (IA) strategy to solve complex business issues. The future workforce will be a hybrid between human and IA elements.

Tomorrow’s insurance professionals will perform what the industry is calling ‘super jobs’ of the future - moving flexibly across the enterprise to collaborate with peers in other functions. New job roles in the industry will have titles like ‘designer’, ‘architect’ and ‘analyst’. Many insurers are deconstructing traditional insurance jobs into component parts. The parts that can be automated are subtracted from the job role. The remaining skills, like managing people and coming up with creative solutions to problems, redefine the new roles.

The workforce changes will boil upwards to affect the top rungs of insurance organisations, leading to the development of new roles and titles designed to inspire people in their cross-functional collaborations and generate positive teamwork outcomes. These job titles will include Chief Behavioral scientist, Chief Customer Experience officer and Chief Employee Experience Officer, as well as hybrid job titles such as Chief Data and Actuarial Officer.





Resourcing and recruitment

As insurers investigate potential applications of AI (Artificial Intelligence) – and as fintechs, insurtechs and ‘hyperscalers’ make greater inroads into the industry – many financial institutions are now competing with the likes of Google and Amazon to attract the best and brightest. As a result, access to the talent necessary to drive a robust innovation strategy becomes a strategic imperative.

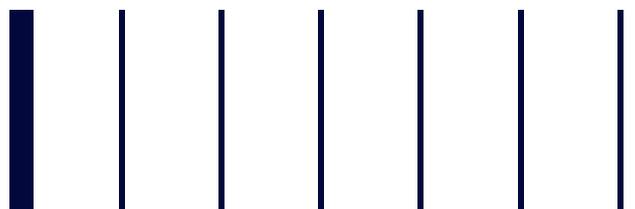
Despite the need for critical technical skill sets, organisations should not focus on technical hiring to the detriment of their overall talent strategy. While much of the current disruptive change is technology-driven, future success in this new paradigm cannot be achieved through deep technical competencies alone. Carriers will look to hire people with more emotional intelligence and with a broader set of analytical and interpersonal skills, such as collaborative and communications skills.

For example, many insurers are seeking to re-imagine their customer experience. The bar for great customer service is being set from outside the industry, often by digital interactions with companies like Netflix, Uber and Airbnb.

While using emerging or digital technologies is a critical component of engineering this change, companies also need to look to the skill sets that will help them understand, contextualise and derive greater value from customer interactions. As a result, some financial institutions are seeking data scientists and psychologists who can provide insight into the customer mindset, as well as individuals from companies already delivering peak customer service for their ‘on the ground’ knowledge.

Employee mindset is also a critical success factor. While specific skill sets and competencies can be supported through training, insurers should place a priority on attracting, hiring and retaining individuals who are agile, adaptable and eager to learn, regardless of their role.

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Steps insurers can take on their journey to the workforce of the future

Insurance leaders should take six steps as they reimagine the future workforce, with implications for change management, employee experience, talent retention, recruitment and human resource systems.



Understand your people

Our research* shows that employees are divided into two, roughly equal camps – those who are skeptical or worried about the impact of digitisation on their jobs, and those who embrace the change and are excited about the opportunity to learn and grow. Attitudes and ability to re-skill differ according to seniority, function and age. Insurers should create personalised plans to engage and develop these different types of employees.



Leadership and engagement

With strong leadership and an honest, compelling vision, people will be more likely to embrace change. By engaging their people in dialogue, insurers can address concerns and build credibility in the benefits of automation, shifting the conversation away from one filled with myth, fear and anxiety and towards an optimistic view of the future. Insurers should set out a clear vision for automation and the coming new roles through proactive, transparent communication which demonstrates a longer-term view of how people can expect to engage with technology into the future.



Employee experience

Insurers should place as much emphasis on employee experience as they do on customer experience, paying special attention to digital recruiting, onboarding, learning and management experiences. If companies want to attract the right talent in the future, they should start by retaining existing people who fit the bill and create a framework that enables the individual to take ownership for their career. Employee experience drives reputation as an employer and a digitally savvy employee experience will attract the future-fit talent that insurers need.



Skills development

Skills are the employment currency of the future, with 'human skills' such as empathy and critical thinking becoming the most valuable. This mindset shift requires innovative ways of mapping and bridging skills, along with new approaches to learning and accreditation. Insurers should champion the development of transferable skillsets for the future, accelerating support for reskilling and building a shared level of digital understanding across the workforce.



Agile resourcing model

The natural shift in the employment market, from permanent, full-time employees to a balance with more skilled contract labour, robotics and automation, adds layers of complexity to any talent strategy. Organisations' ability to skillfully integrate these different worker groups and hybrid elements will increasingly be key to success. Creating and maintaining relationships with specialist contractors will also be important.



Flexible work

As working life in the post-pandemic context begins to take shape, many businesses have made already made dramatic changes to their operating models. Benefits include reduced office costs and environmental footprint, and savings in commuting time. Flexible hours and remote work may also support diversity, empowering working parents and especially women. However, remote working is only a practical proposition if insurers can operate from the cloud. Robust cyber security technology, training and policies are necessary to protect the company and its employees without impacting productivity or customer experience.

Insurers should also take steps to counter the potential negative impacts on team relationships and individual wellbeing caused by working without physical face-to-face interaction in a shared space. HR leaders should develop a robust, proactive communications strategy for staff working remotely. We are likely to see a blended working model emerge, which balances the benefits of flexible work with business objectives and the need for physical interaction on specific projects.



* Empowering people in a hybrid workforce

https://www.capita.com/sites/g/files/nginej146/files/2019-10/Human_To_Hybrid.pdf

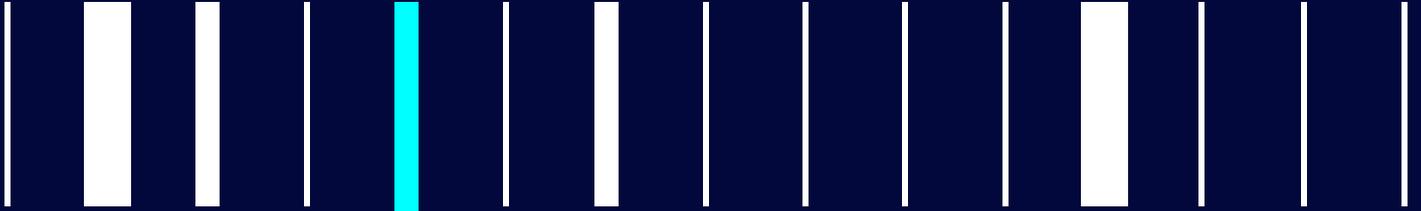


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Insurers need to strike a balance not only between the need for technology-driven innovation and maintaining the current business, but also between the evolving needs of employees, customers and regulators. By taking positive and strategic action now, insurers can foster an environment where innovation can thrive, employees are supported to grow and meet new challenges, and new talent can bring fresh skills and agility.

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