



Life/Annuities/Group Benefits Carriers:

How to Unlock Value by Embracing Business-Led Transformation



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Executive summary



As if fast-changing customer expectations, regulatory mandates, and new distribution models weren't enough, COVID-19 made it clear that **digital agility** is the litmus test that will identify the future's most profitable financial services providers.

This paper, ***How to Unlock Value by Embracing Business-Led Transformation***, offers a guide to L&A insurers and group benefits carriers interested in aligning long-term business goals with a supportive and scalable digital infrastructure.

Inaction has become tantamount to obsolescence in today's unpredictable environment. Industry frontrunners embraced digitization years ago and demonstrated operational readiness during the black swan volatility of 2020. The only given today is that digital is here to stay and here to scale.

There has never been a more critical time to extend better value propositions to customers while improving your firm's future readiness.

Read on for insights that may spark your team's big-picture thinking about:

- Ways to contain internal costs, play a central role in customers' lives, and unlock breakthrough value.
- Becoming an ***Inventive Insurer*** that leverages open platforms to build a partner ecosystem through seamless collaboration with third parties. Firms with open platforms can access and integrate new data streams to cater to customers' evolving needs, reaching them in the way they prefer via new distribution channels. They can also share data to become part of partners' ecosystem. The future revolves around innovative hyper-personalized products that are quickly commercialized.
- Identifying how to acquire the right competencies and clearly define a **transformational roadmap**.
- Determining future business objectives and addressing the people, technology, and process domains that must change.
- Harnessing specialized **process management tools** to create the foundations to enable transformation.
- Creating a process-enabled structure that helps the firm flexibly sustain new efficiencies. Turn high-level strategy into an operational framework backed by advanced technology.
- Ways to identify potential risks and implement change-management mitigation plans.
- **Defining successful change** and ways to score the results.
- A commitment to **continuous improvement**.
- Fostering an **open-minded culture** that enables the firm to bolster critical business capabilities, including operational effectiveness, agility, and customer focus.

Modern architecture and business-led transformation create considerable value but also require discipline and competencies that may not be internally available. Putting the right team in place from the outset can make all the difference.

Why transformation, why now?

The future of L&A and Group requires growth and resilience

Until recently, life and annuities (L&A) and group benefits executives may have found business forecasting a mundane if not predictable activity. However, as temperamental black swans increasingly ripple insurance waters, little is certain these days.

The industry is shifting. New distribution models (including disintermediation for some products), customer demand for convenience, regulatory changes around compensation rules/ transparency, IFRS 17/LDTI compliance, and growing cross-generational digital engagement accelerated by COVID-19 are all influencing the domain.

L&A firms are preparing to adopt the sales, service, and customer engagement styles of banks and retailers as the agent/broker role evolves.

Let's look at industries once dominated by intermediaries. Travel agents used to be the buffer between consumers and airlines, cruise lines, and hotels. Today's few remaining travel agents serve complex, niche travel needs (high-end or corporate). Back in the day, most consumers purchased a computer through a retailer (as wholesalers facilitated the retailer/manufacturer relationship) until Dell Direct began gaining ground in the 1990s. Today, you can still buy a computer from a brick-and-mortar merchant, but most sales are direct and online.

These examples are especially illustrative as both industries still leverage intermediaries to handle elements such as corporate markets, complex customer requirements, and support. However, the traditional *middleman* with more knowledge than the consumer has become an anachronism as internet research offers 24/7 price comparisons, product reviews, testimonials, and more. The internet democratized knowledge gathering.

Commissions make up a big chunk of the insurance value chain. It follows that digital sales and service would drive costs down while profitability goes up. However, the axiom that insurance products are *sold, not bought*, remains valid for many consumers. Therefore, the degree of disintermediation in insurance will depend on the extent to which digital channels can educate, inform, and persuade consumers to the extent that digital distribution capabilities can allow carriers to sell and service customers directly.

What's next for life insurance and annuities? Travel and retail may offer insight. Sure, we still buy products at a brick-and-mortar store. But more often than not, we use online digital tools. So while the future of L&A may continue to include agents and brokers, digital will take center stage – or at least a strong supporting role.

What if we sit tight and see how things evolve?

Without robust digital capabilities, L&A insurers will find themselves at a critical disadvantage when competing with InsurTechs and agile newcomers when it comes to quickly meeting evolving customer expectations.

Let's examine some potential consequences of a wait-and-see strategy.

Obsolescence: The insurance landscape has never been more dynamic. Today's policyholders consume insurance coverage differently from the past, and needs and expectations will most likely continue to evolve. Firms that offer simplified, digital-friendly products see strong demand for those products via digital channels.

Market share or reputational loss: Insurers without insight into market volatility and global/regional trends could face high-impact repercussions. Those unable to make agile course corrections could lose a substantial slice of their policyholder base or suffer reputational damage.

Theft (e.g., cyber fraud): Resilient firms build a corporate culture that weaves risk management into every position and decision. Prioritizing risk analysis, even for part-time employees, underscores dedication to security. Conversely, a lax attitude may put the firm at risk. Accountability and responsibility are essential and digital transformation will significantly enhance the capabilities of insurers in this area.

Lack of transparency: Transparency requires and creates mutual trust, a vital component of an engaged firm. When a company integrates multiple and complex layers in its operations, it obscures transparency. Those firms that successfully transform will boost transparency and leave laggards increasingly disadvantaged when communicating their propositions and values to customers.

What's keeping insurers up at night?

Life insurance in the United States has reached a crossroads. While policyholders don't dispute L&A's value for their dependents, they question its relevancy as demands for omnichannel engagement, 24/7 convenience, and personalization go unmet. At the onset of the policy, agents are closely engaged with customers but that connection is rapidly lost. The opportunity is to deploy robust digital engagement capability and strategy to maintain the connection, so policyholders keep sight of a particular product's value and why they chose it.

The 2019 World Insurance Report explored how rapidly evolving environmental, technological, social, and business factors are changing the global risk landscape.¹ Frustrated policyholders are looking to their insurers for peace-of-mind solutions. However, with legacy back-end solutions and technology-challenged customer communication platforms as the norm, technology modernization is critical to meeting customer expectations, building business resiliency, and boosting future readiness.



Today, digitizing the business, rethinking insurance, and coming up with new products and services able to address a multitude of changing customer's needs have become three transformation pillars that digitization leaders seek to deliver."

— Sabine VanderLinden,
Co-Founder & Managing Partner, Alchemy Crew

As global macro trends and life insurance developments converge, the urgency to transform mounts.

Macro trends influencing the life insurance landscape

Pervasive technological advancements and evolving demographic trends have been turning up the competitive heat for years. Everything came to a boil in 2020 as COVID-19 forced incumbent insurers to supercharge business processes and technology within months to support physical distancing in an industry that relies heavily on face-to-face contact.

Digitization is here to stay. The truth is, it's been here – just not as much in life insurance. Consumers spent more than \$861-billion online with US merchants in 2020, up 44% year over year and the highest annual growth in at least two decades.² In other industries, digital was already the new normal, and it was coming to insurance before COVID-19; however, the health crisis sped up the timetable dramatically.

US Federal Reserve rates fell 2.25% from 2018 to a new low of 0.25% in 2020.³ **Yields are expected to remain low** for the foreseeable future and negatively impact L&A profitability. Carriers will need to take steps to reduce costs and deliver underwriting profitability on new policies.

Demographics are changing as the millennial population surpasses baby boomers – the traditional life insurance stronghold.⁴ Ideas about the metaphorical *Silver Tsunami* may be shifting, but insurers are wise to foster relationships with new generations while preparing for a gradual outflow of baby boomer dollars.

Within this challenging context, life insurance **relevancy is at stake**. From 2011–2020, the number of US life insurance policyholders declined by 9%.⁵ While the pandemic generated demand for life and income-protection products, insurers face pressure to rebuild trust and adapt to a fast-changing society.

Life insurance trends

In addition to global developments, several industry trends (accelerated by COVID-19) are converging and speeding up.

The most significant shift may be insurers' swift adoption of new technologies and digital solutions to augment operational efficiency (agents and newly-remote employees and partners) and maintain business continuity. However, several trends are affecting business and together will significantly impact carriers going forward.

1. COVID-19 and cross-generational preferences for digital channels are driving needs to **simplify and personalize products and to leverage advanced digital sales tools**. In response, carriers are simplifying products to align with digital channels, and they are improving education through smart video platforms and gamification. Interactive, online sales tools allow customers and agents to follow explanatory simulations in real time. Simplified products tailored to individual consumers (or consumer groups) make life insurance more accessible, with or without agent involvement. Simply doing the same things as before but using web conferencing isn't a solution. It's a quick fix.
2. **New regulations, low-interest rates, and low capital requirements are spurring industry consolidation and M&A activity**. January 2021 was the most active month in 20 years for transactions. LDTI (Long Duration Targeted Improvements, a new GAAP accounting requirement), together with low-interest rates, have encouraged some insurers to exit the individual life and annuity space while attracting private-equity firms. This combination makes for an active M&A environment, with recent deals involving Allstate L&A, Voya, and Talcott Resolution. This trend is likely to continue.

¹ Capgemini, "World Insurance Report 2019," May 14, 2019.

² Digital Commerce 360, "US ecommerce grows 44.0% in 2020," Jan 29, 2021.

³ FXEMPIRE, "United States Interest Rate," Jan 27, 2021.

⁴ Pew Research Center, "Millennials overtake Baby Boomers as America's largest generation," Apr 28, 2020.

⁵ LIMRA, "2020 Insurance Barometer Study," Jun 2, 2020.

3. **Interest in life and supplemental health products is up, but growth remains slow.** COVID-19 heightened awareness and interest in these products, but the associated economic downturn has tempered growth potential. Group benefits continue to be a substantial focus area because they require less capital and are generally profitable products. In particular, voluntary benefits and worksite products are demonstrating strong growth.
4. **COVID-19 affected short-term mortality rates and is driving future uncertainties and fueling de-risking.** While many COVID-19 deaths occurred within vulnerable populations (nursing home residents and individuals with co-morbidities), some claims were likely accelerated (although not unmanageable). Now, uncertainty exists about future mortality risks (particularly concerning the long-term impact on recovered COVID-19 patients and uncertainty about the vaccine's effectiveness on variants). Numerous carriers have turned to divestiture insurance-linked securities to reduce their risk.
5. **Longevity is likely to increase.** Although US life expectancy dropped appreciably in 2020 because of the

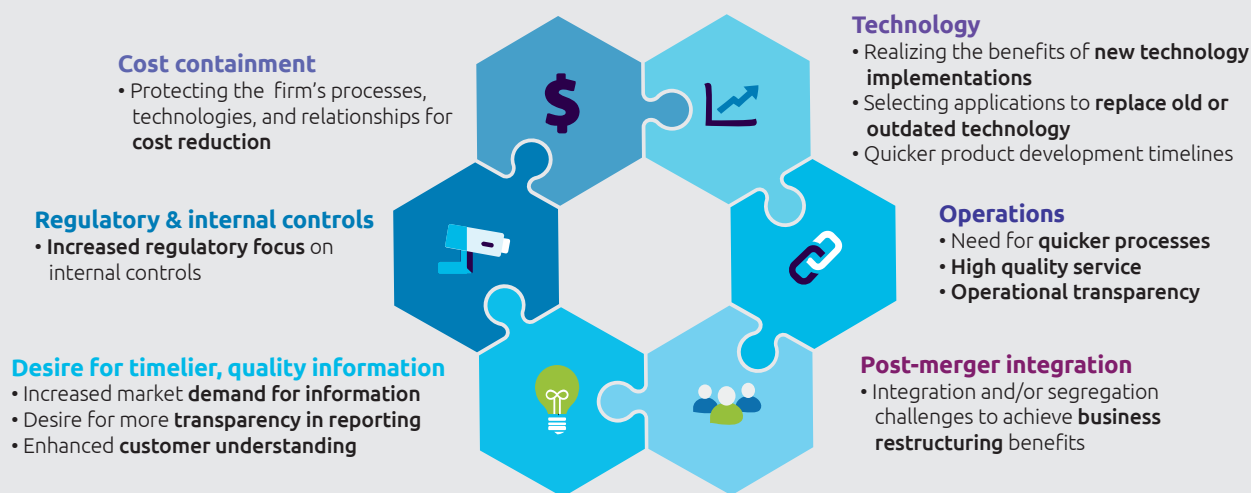
pandemic (and the opioid crisis also sparked slight recent declines), most indicators predict that life expectancy will rebound and increase significantly throughout the next few decades, with more Americans living to 100 and beyond. Service to generations who retire later and longer (further fueled by shrinking birth rates) will be an essential financial services component, especially for providers of life insurance, retirement planning, and annuities.

Internal challenges are also driving transformation

With rising demand to beef up financial performance, firms face multiple and often conflicting priorities ranging from cost containment to technology transformation, timely information dissemination to post-merger restructuring (Figure 1).

By embracing transformation now, life insurers can regain control, reclaim their central role in customers' lives and unlock breakthrough value.

Figure 1. Cost containment is among the internal challenges firms face



Source: Capgemini Financial Services Analysis, 2020.

Harnessing volatility and unlocking breakthrough value

COVID-19 was the last straw for many life insurers already grappling with industry challenges and competition – which is why transformation is no longer merely an option. To paraphrase American organizational theorist and pioneer Russell Ackoff (1919–2009), *The cost of preparing for critical events that do not occur is generally minimal compared with the cost of being unprepared for those that do.*⁶

To spark big-picture thinking, life insurers can begin by assessing their systems and processes and visualize what they might do without constraints. Without legacy constraints, many firms could leverage open architecture and seamlessly coordinate operations and IT. There has never been a more critical time to extend better value propositions to customers while improving future readiness.

Why is open architecture transformational?

Firms supported by open architecture can selectively categorize value chain components – those that can be commoditized and those they can feature at the heart of their differentiation strategy.

That is not to say that life insurance or its underlying architecture can be commoditized. One size does not fit all. Instead, we see an opportunity to commoditize those building blocks that do not provide a competitive advantage to boost an insurer's unique strategy (Figure 2).

Each firm must decide whether its HR, finance, administration, and other back-office operational processes provide a focus-worthy, competitive advantage.

Where appropriate, a commoditized approach can enhance **operational excellence** by streamlining workflows and controls. At the same time, it can improve transparency to enable collaboration with ecosystem partners and reduce material costs.

While **underwriting** can enable different positioning strategies, standardized blocks can help firms leverage solutions from an interconnected ecosystem, such as sensors and IoT devices, and the ability to implement a continuous underwriting process. On the other hand, flexible, automated underwriting makes it possible to develop differentiated products.

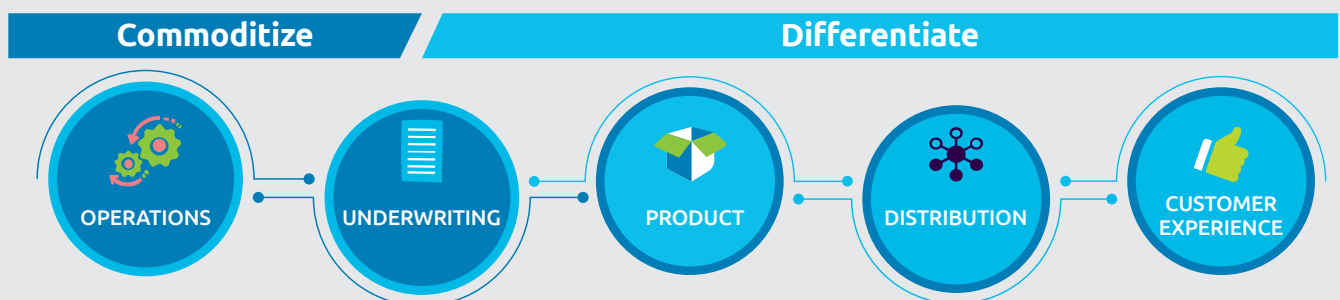
- For example, Boston-based Everyday Life Insurance uses predictive intelligence to measure, adapt, and customize coverage throughout the policy's duration.

Increasingly, modern, open architecture has enabled differentiation and strategic decisions around **product, distribution, and customer experience**. In this environment, insurers can **hyper-personalize innovative products** and commercialize them quickly.

Through seamless **omnichannel distribution**, insurers can target customers with appropriate products at the right time.

The combined attributes of underwriting, product, and distribution – enabled by a secure, flexible, and open platform – will spark better **customer experience (CX)**, **data monetization**, and **optimized revenue streams**.

Figure 2. Open architecture



Source: Capgemini Financial Services Analysis, 2020.

⁶ [Fearless Revival](#), "Russell L. Ackoff | Quotes | Systems Thinking Books," accessed Feb 2021.

Coordinated operations, technology transformation, will sustain value generation

Striking the right balance between open architecture components requires seamless coordination between technology and operations.

Insurers can leverage **modern technology** to increase agility, enable connectivity, improve customer experience, and provide better insights through business intelligence.

Disjointed or siloed **operations** can be transformed into an integrated system, thereby streamlining processes and better supporting daily business operations.

Orchestrating these elements will **sustain value generation** by unlocking:

- Faster speed to market
- Improved product flexibility
- Enhanced ability to run the business
- Predictable IT costs because a modern platform requires few resources
- Improved cost structure across the board.

From customers to shareholders, all stakeholders benefit when value creation is sustained

Customer-centric Inventive Insurers are future-proofing the industry

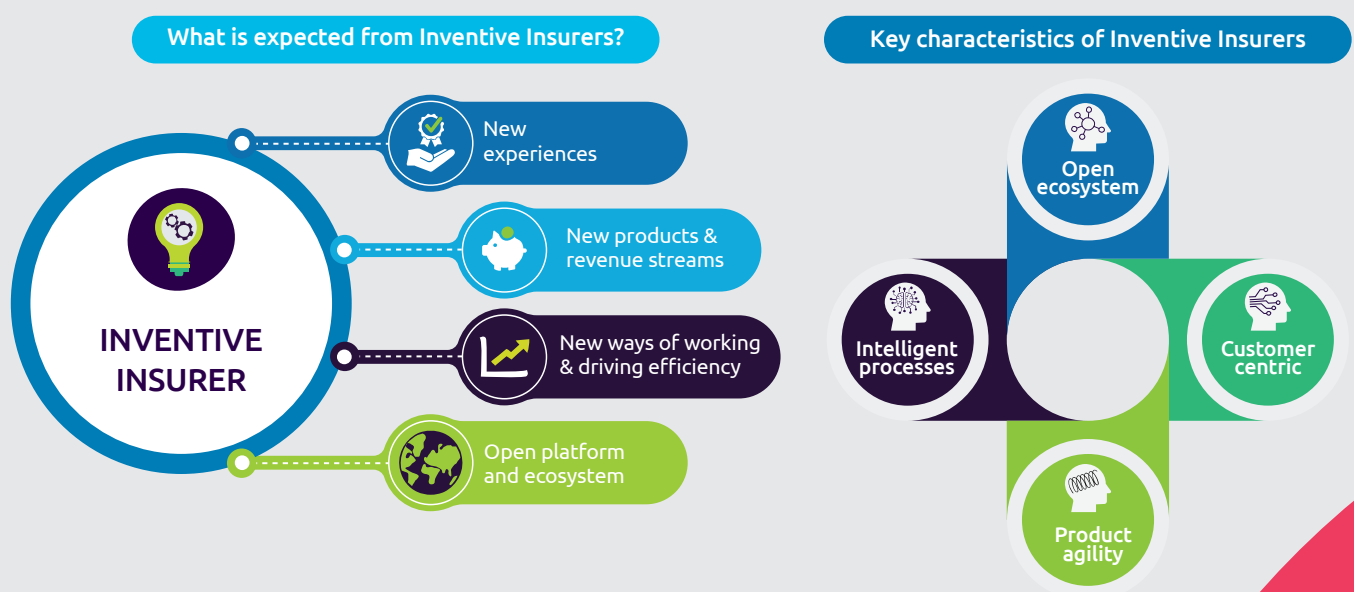
For some life insurers, the key to navigating emerging macro trends and industry developments will be a mindset shift to embrace open architecture's sustainability benefits.

Introduced in the World InsurTech Report 2019, the *Inventive Insurer* concept advocates for customer experiences that delight and satisfy policyholders, new product and revenue stream development, innovative work processes that drive operational efficiency, and open ecosystems and platforms.

Four enabling characteristics distinguish Inventive Insurers.

1. **Intelligent processes** – Enabling process efficiencies through automation can support top-notch service with quick turnaround times. At the same time, analytical competencies will help insurers understand customer needs and act swiftly; robust digital governance will monitor and ensure compliance in the current regulatory environment.
2. **Open ecosystem** – Leveraging open platforms can help insurers build a partner ecosystem through seamless collaboration with third parties. Insurers with open platforms can access and integrate new data streams to cater to customers' evolving needs, reaching them in the way they prefer via new distribution channels.
3. **Customer centricity** – Deep customer competencies allow insurers to leverage data and channels to enhance

Figure 3. Inventive Insurers explore new ways of working to drive efficiency



Source: Capgemini Financial Services Analysis, 2020.

CX across all touchpoints. In-depth customer insights – generated using advanced analytics – and AI keep the customer at the center of all decisions, critical even through agent/broker channels.

4. **Product agility** – Product agility is crucial for insurers to create new products faster and gain a competitive edge from increased speed to market. Creative culture and the ability to innovate at scale are critical components for achieving product agility, which encourages novel thinking from employees and spurs openness to change; modern, flexible systems are another critical component.

Inventive Insurers exploit industry opportunities and embrace transformation to succeed in an ever-changing market. The life insurance industry is dynamic and evolutionary. Sustainable success will require mature capabilities across operational efficiency, system complexity, and customer insight.

Operational efficiency requires automating extensive manual processes, outsourcing low-value activities, simplifying the new product development cycle, and adopting integrated systems with workflows and alerts.

Rationalizing systems performing identical functions can reduce **complexity** by enabling a more rapid development cycle and improving straight-through processing capabilities.

Gathering rich customer information from third-party data sources to augment **customer insights** and omnichannel-integrated lead management systems will increasingly become the norm.

Critical success factors

Spark your business transformation with these kick-off steps.

- **Define the project's success criteria early so process activities align with business objectives.** Give project participants a guide to setting directions and prioritizing decisions. Defined criteria ensure alignment.
- Next, **engage with and seek buy-in from business segment leaders.** Inclusion is necessary to facilitate global review and organizational process improvements.

When the business unit thought leaders and de-facto leaders impacted by changes develop targets and delivery objectives together, processes tend to run smoothly. They will have ample opportunity to offer input and recommendations based on their experience and specific requirements.

- **Integrate team members from across the organization** to ensure accurate estimates and delivery and enhance buy-in further. Including diverse team members in all phases of analysis and assessment helps to gauge client culture, estimate timelines and effort, and minimize the risk of unmet milestones.
- **Continually communicate to make certain transformation expectations are met or exceeded.** Encourage all contributors to periodically share details regarding their progress and delivery around the analysis and recommendation phases.

Is your organization ready to transform?

The critical success factors we mentioned can increase success, but organizational readiness is perhaps even more significant. Holistic transformation requires firms to build capabilities around their strengths while upskilling the workforce as necessary.

To succeed, insurers will need to **commit and invest in the future** by aligning leadership and employee goals with strategic objectives. Similarly, business unit goals must support firm strategy bolstered by selective investment in people, technology, and financial resources.

Business transformation requires **quick and transparent decisions**. Organizations will need to balance perfection and sufficiency by updating KPIs at regular intervals and avoiding multiple rounds of customization or configuration while recognizing that agile implementation will always include a backlog, eventually resulting in more configuration.

Ultimately, **empowerment** is crucial. Executives must set direction and remove obstacles to empower teams to reach milestones based on their decisions.

Tackling transformation from business to technology

Transformation built on business and technology pillars adds critical value

The road to transformation is not lined exclusively with technology! A firm's business vision and strategy drive transformative decisions. Business and technology pillars must align (Figure 4).

A foundation built across these pillars allows insurers to customize their future state view.

- A **modern core platform** with standardized software code and integration methods
- **Business-to-business communication** (via open APIs, web services, or other channels) to integrate/engage with third parties efficiently
- **Digital** customer engagement
- **Straight-through processing**: Rules and data analytics-driven low-touch or no-touch processing
- **Intelligent processing** using advanced technologies (AI, RPI, ML) in a continuous learning and improvement loop

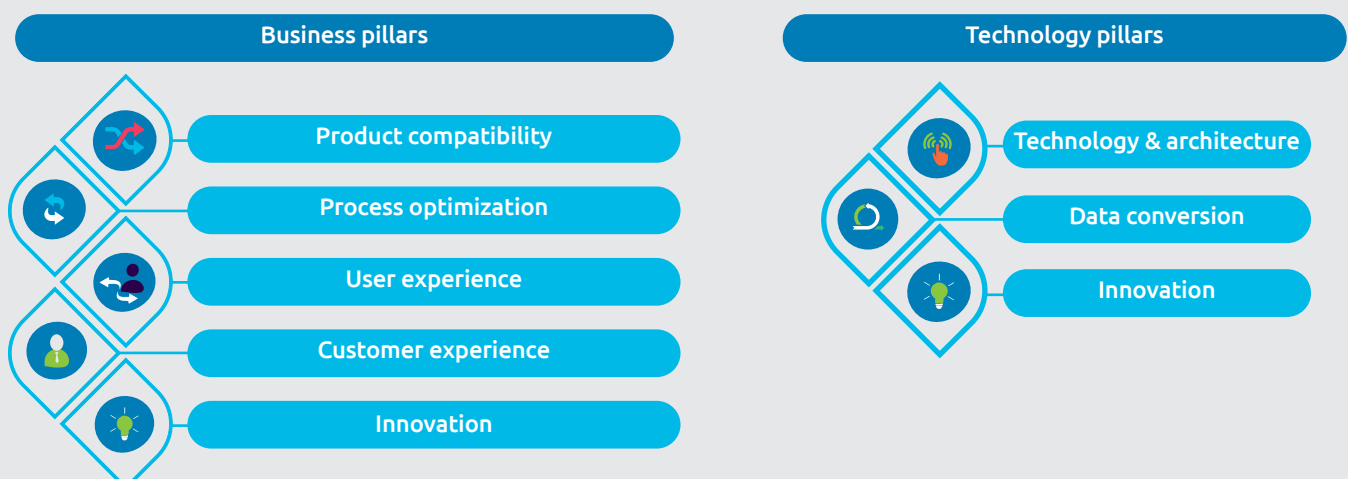
Modern legacy systems underpin digital transformation

The success or failure of a legacy system transformation will likely influence future initiatives. A modern system makes it possible to enhance customer journey touchpoints while offering innovative multi-channel service across the value chain. The result? Superior customer experience.

Modern systems also **accelerate commercialization and cost optimization** by enabling process standardization through organizational solutions, leveraging automation technologies to reduce touchpoints and servicing non-linear growth, and integrating across the system to deliver increased process controls.

Finally, insurers can leverage best practices and modern systems to gain insights that enable value-added customer services that **align with financial goals**. For example, data analysis can improve claims servicing and also optimize costs.

Figure 4. Technology advancements must align with the firm's long-term business goals



Source: Capgemini Financial Services Analysis, 2020.

Value proposition building blocks are interdependent

The benefits of transformation and modernization in an open architecture environment are clear to all industry players. Unfortunately, these benefits often end up being unrealized.

The building blocks required to create value must be in harmony to navigate complex and multiple interdependencies (Figure 5).

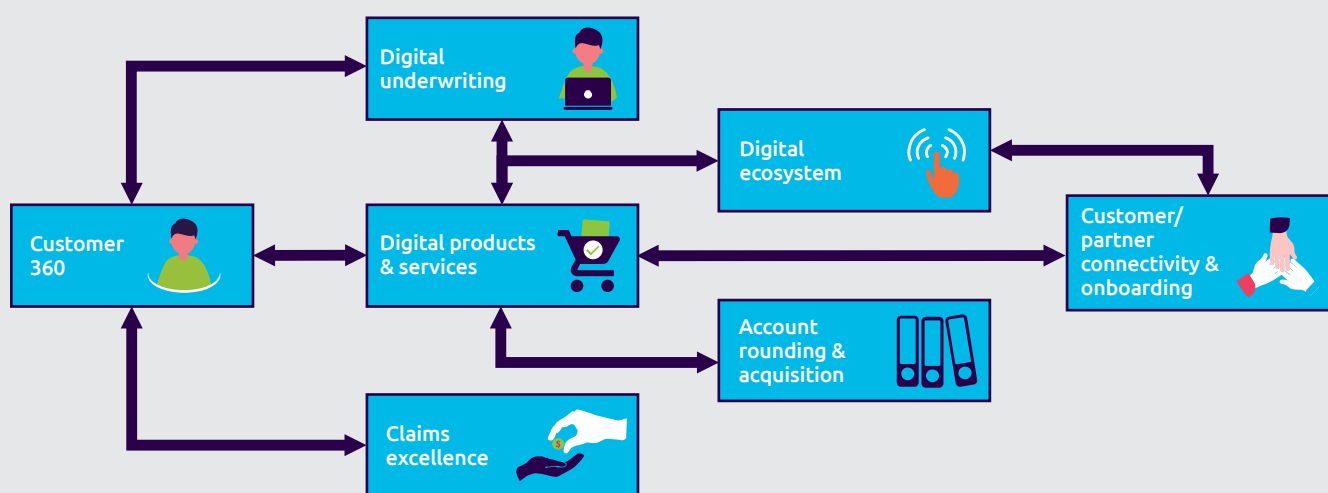
There are two critical considerations here.

First, as mentioned earlier, successful transformation improves a system's overall effectiveness rather than that of individual departments or processes.

Second, the value of the transformation is not the sum of individual transformation initiatives. It is dependent on how initiatives interact and fit together.

Navigating across interconnected building blocks of the system is complex and requires in-depth competencies that life insurers may not have. Identifying how to acquire the right competencies and clearly define a roadmap is the next course of action.

Figure 5. Interdependent building blocks



Source: Capgemini Financial Services Analysis, 2020.

Roadmap to success: get started and accelerate

Setting up the right iterative approach is critical to accelerating the transformation journey. **Scan**, **Focus**, and **Act** stages create a holistic and highly integrated process.

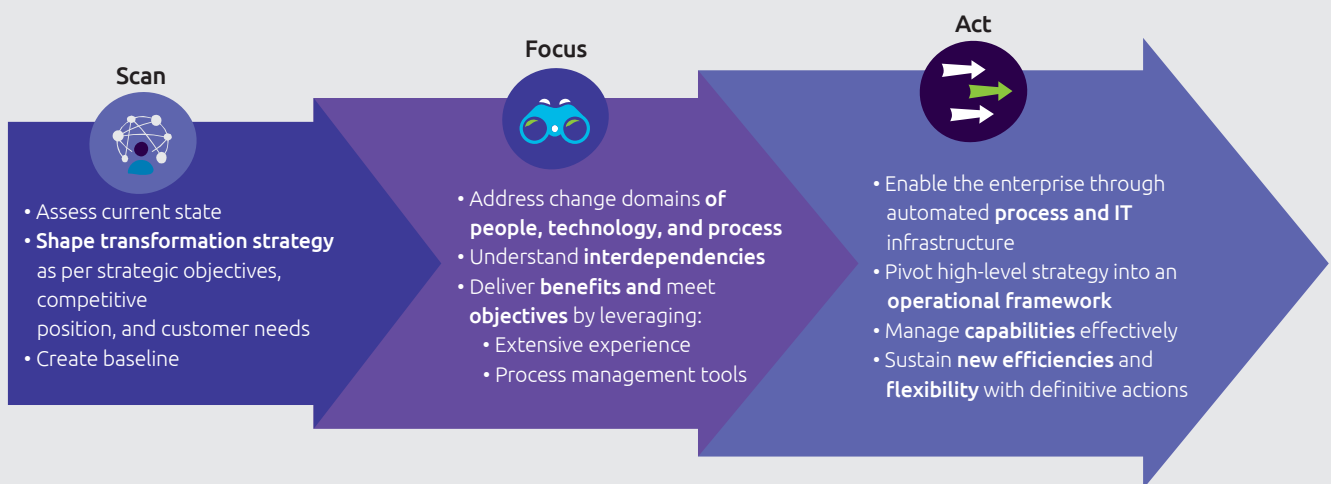
Each stage needs careful coordination and is highly interdependent on progress in other areas. Each is supported by a robust and extensive set of management tools and focuses on a specific set of strategic and tactical outcomes.

1. During the **Scan** stage, the team defines a baseline and assesses the current state while aligning participants to foster a solid transformational strategy and objectives.

2. The **Focus** stage revolves around business benefits and strategic objectives as defined in the Scan stage. It addresses the people, technology, and process domains that will change. It harnesses specialized process management tools to create the foundations to enable transformation.
3. The **Act** stage delivers a process-enabled structure that helps the firm flexibly sustain new efficiencies. It turns high-level strategy into an operational framework backed by advanced technology.

The Scan, Focus, and Act stages are unified in process, highly integrated, mutually dependent and form the core of transformation!

Figure 6. Key stages of the transformation journey



Source: Capgemini Financial Services Analysis, 2020.

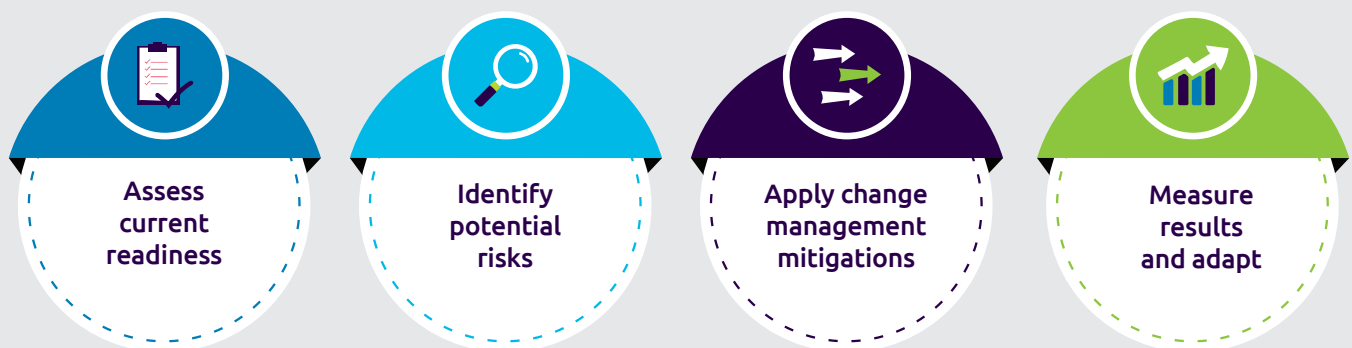
Success preparation and measurement

Ready, set, succeed

A roadmap will accelerate transformational navigation. However, success depends on the firm's readiness to embrace change, which is intrinsic to the transformation journey. All too often, teams can overlook this component.

Assess, Mitigate, Measure, and Adapt are Capgemini's systematic and holistic stages to effective change management (Figure 7). This approach has proven effective in 86% of our prior efforts and has systematically accelerated adoption and improved the ROI for each transformation.⁷

Figure 7. Deploy your change management approach in stages



Source: Capgemini Financial Services Analysis, 2020.

⁷ Capgemini Group Ops and Technology Transformation.

First, **assess current readiness** and proactively identify high-level risk areas by evaluating variables, including people, process and structure, culture, resistance, resources, change capabilities, and gaps.

Next, **identify potential risks**. Seven equally-important risk categories exist (Figure 8). However, people-related issues are generally at the root of most change implementation barriers. Also, developing a clear and measurable vision with the associated reporting process is key to making change sustainable.

Figure 8. Identify and mitigate risk

Change vision and people strategy are not clearly defined	<ul style="list-style-type: none">• Develop a change story with a sense of urgency• Create a standardized approach with a supporting toolset
Leaders are not driving and supporting the change	<ul style="list-style-type: none">• Enable leadership support with necessary methods and tools
Stakeholders are not informed and engaged	<ul style="list-style-type: none">• Make reasons for the transformation tangible and understandable• Develop a communication plan with regular exchange of updates
Organizations & processes are not aligned with new requirements	<ul style="list-style-type: none">• Create transparency on process changes and change impacts• Develop a transition plan to support adoption of new processes• Monitor progress of change to manage barriers and mitigate risks
People capabilities do not support performance	<ul style="list-style-type: none">• Identify required skills in accordance with the new system and processes• Enable employees to perform in a changed environment
Culture and behaviors hinder change	<ul style="list-style-type: none">• Assess the cultural as-is status and take actions to save the existing culture
Change is not sustainable enough	<ul style="list-style-type: none">• Establish a support network to facilitate the transition and prepare for hand over• Develop capabilities to sustain the changes beyond the implementation phase

Source: Capgemini Financial Services Analysis, 2020.

If risks seem likely, customized **mitigation strategies** can be deployed (Figure 8). Note that multiple mitigating actions working together can materially increase efficiency.

Once the team identifies risks and puts mitigating actions in place, the next step is to **measure change results** to ensure that positive high-impact initiatives are scaled up and low-yield processes adjusted or discontinued.

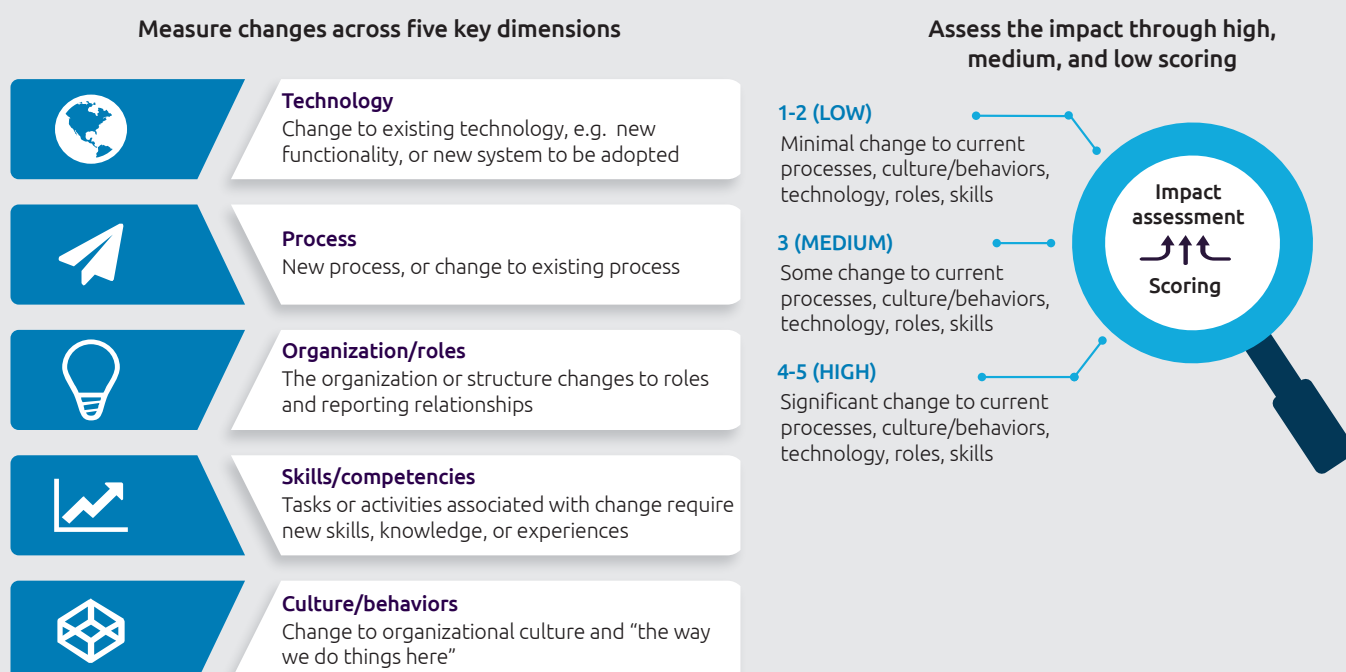
Measure the impact of change across five key dimensions.

Gauge impact by assigning scores from 1–5 (Figure 9).

A score between 1–2 would signify a minimal change or low impact, 3 would signify medium impact or some change, whereas a score between 4–5 would indicate a significant, high-impact change.

The resulting matrix enables clear decisions around prioritization, next steps, and continuous improvement as and where required.

Figure 9. Change dimensions and impact assessment scoring



Source: Capgemini Financial Services Analysis, 2020.

Measure success and commit to continuous improvement

The policy lifecycle future state

For L&A insurers that will navigate this transformation journey, several benefits lay ahead. Automation across the entire policy lifecycle can improve efficiency and reduce complexity by eliminating manual intervention.

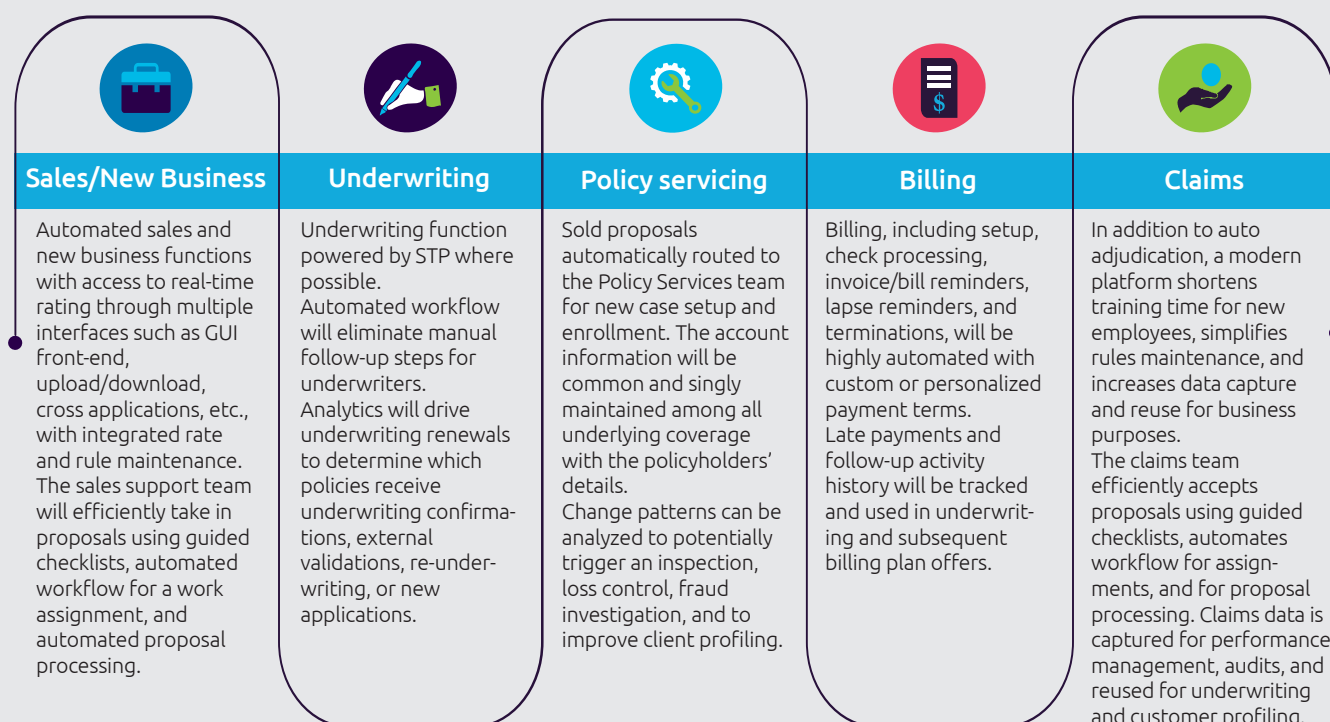
Consider these *moments that matter* (Figure 10) to improve day-to-day business operations and create business agility.

Organizational culture can unlock sustainable value

Transformation across the value chain and the policy lifecycle will empower Inventive Insurers to focus on continuous improvements, innovation, and accountability.

The changes may create both hard and soft benefits and – notably – will enable the firm to bolster critical business capabilities, including operational effectiveness, agility, and customer focus.

Figure 10. Key moments that matter across policy lifecycle



Source: Capgemini Financial Services Analysis, 2020.

- **Hard benefits** – Higher efficiency and lower costs. Automated processes can significantly streamline complex time-draining tasks so employees can focus on customers and revenue generation.
- **Soft benefits** – Often challenging to quantify but should not be overlooked. Collaboratively adopting modern architecture helps foster a culture devoted to the timely creation of innovative products that meet market and customer demands. It also helps achieve a single view of the customer to improve CX.

From an **organizational standpoint**, when redundant tasks are eliminated or automated, employees can focus on value-adding activities and complex cases. Technology reduces time spent reconciling multiple data sources, and a stimulating environment attracts new talent.

Modern architecture and business-led transformation create considerable value but also require discipline and competencies that may not be internally available. Putting the right team in place from the outset can make all the difference.

With the right talent and partners in place, the transformation can unlock better customer relationship management. With most tasks automated, management and staff can concentrate on moments that matter to customers and ensure that superior experience remains at the core of the life insurance value chain.

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