



Beyond crisis management

A plan for life insurers to move from respond, to recover and thrive in the wake of COVID-19

Life insurers have been faced with new challenges, and an amplification of prior challenges, as result of COVID-19. For years the industry has been grappling with low interest rates, slowing client demands, and high competition for wallet share. Life insurers have never been as digitally focused as other segments of the insurance industry, but COVID-19 has further highlighted this gap. Coupled with the potential for sustained economic disruption and barriers to access the medical professionals needed (at least in the near-term), the industry will want to respond in ways that will set a foundation for future success in a post COVID-19 scenario.

To help insurers respond to this crisis, we outline areas that life insurers may want to focus on while navigating different stages of the pandemic.

Engage customers



- Focus on proactive, positive incentives for customers to instil confidence. This includes a **rapid rollout of benefits** such as fee reductions, credits, and other special offers to improve their financial wellness.
- Respond to customers' unique situations and needs. Provide access to non-traditional advice and **support systems to navigate financial strain** and bring business back to normal while prioritizing health and wellness.
- **Enable producers to connect with customers** in proactive, meaningful ways by activating new product features, rolling out education and wellness programs, and executing retention techniques. With the challenge of near-term growth, carriers should ensure their customer retention programs are strong to avoid investing in bringing in new customers.

Reinvigorate the workforce



- **Ensure the workforce is engaged**, motivated, healthy, and can function effectively when remote and onsite. It's critical for managers to assume this 'new normal' may extend and employees will have varied needs over time.
- **Re-validate the emotional contract with employees** to support long-term success, including measures to ensure a sense of belonging within teams and confidence in long-term career prospects.
- Formalize improved practices around wellness and engagements. Take time to **think through performance management models** to manage productivity and engagement in this new context.

Adopt a growth mindset



- Understand how the economic downturn will impact the existing business. **Identify new growth opportunities** (consider new segments or partnerships). Innovate products and services that ensure high relevance. Move quickly to capture consumer mind-share and build confidence.
- **Embrace the growth challenge** to re-write some of the "rules of the industry." In this critical time, leaders need to empower new ways of thinking to promote financially secure and successful products for the consumer.
- Improve marketing and sales potential by enhancing digital capabilities for both agents and customers. Empower agents to rise to **new levels of performance** in customer insight, service delivery, and retention.

Accelerate digital



- **Expand digital marketing** competencies to improve consumer awareness, education, and engagement through a multiple purchase lifecycle.
- Raise the level of sales enablement and agent functionality to **drive increased adoption and productivity**.
- Expand digital capabilities to fast forward the establishment of new, **supplementary channels and marketplace partnerships**.
- **Re-invigorate innovation** efforts for greater speed to market and return on investment, namely robotics for efficiency, sales and services functionality upgrades, and analytics for customer insight.

Operationalize for the new normal



- Prepare for a long-term partial return to work, where the staff is disbursed across offices and working from home.
- **Prioritize process improvements** in areas where possible including new business, remote customer service, and the recruitment and performance management of agents. The medical data aspect of the business is likely to be meager in the near-term.
- **Develop new processes** for recurring work that is now virtual, including financial close, budget and business performance management processes, and product management.
- **Mobilize new initiatives** in asset/liability matching, capital management, expense management, and vendor management for new and ongoing programs.



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