



Changing Paradigms of Value Proposition offered by Organizations in the new normal and how Insurance companies are overcoming these challenges

**Author : Praveen Menon – Chief People Officer,
IndiaFirst Life Insurance**
**Mentor : Thomas Wilson, Country Manager,
President & Chief Executive Officer, Allianz
Ayudhya Assurance Pcl**

Changing Paradigms of Value Proposition Offered by Organizations in the New Normal and how Insurance companies are overcoming these challenges

Pandemic was an unprecedented crisis and unknown to humankind and to deal with it required out of the box thinking and innovation, be it medically or be it business wise. The Human Resources (HR) function being the custodian of employee life cycle journey and especially in the new normal, it is not only important that HR team becomes resilient to handle the crisis, but it is also imperative that HR as a function is able to create within the company—an eco-system such that it is : –

1. Cognizant and responsive to the changes and volatility occurring in the internal and external environment
2. Able to sustain engagement levels and collaborative spirit within the employees despite the challenging times
3. Inspiring and accommodative to nurture productivity from employees

When it comes to the organisation culture, it would be very prudent to mention that the three main pillars that make a successful organization through their employees are;

- a) Purpose – The reason for existence and the drive which engages with each employee in the organization where he sees his work fitting the larger context.**
- b) Psychological Contract – Contract between an employee and employer describing expectations and commitments.**
- c) Proposition – The unique sets of benefits that an employee received in skills, capabilities, and experiences.**

The pandemic has changed what of not only how individuals operate but also the ways around which organization models and behaviours are structured. Some of the major challenges' organizations are facing due to this are;

At the Organisational Level

- Realignment of individual purposes (prioritization of personal goals over professional ones) which could fuel voluntarism and gig economy.
- Dichotomy of moving into a Hybrid Model with loss of governance and control on one hand and the necessity to provide more empowerment and ownership to employees on the other.
- Reduced pace of upskilling of employees on account of pressing business priorities and transition of traditional learning methods to newer ways
- Sustaining engagement levels and collaborative spirit in an environment where employees are compelled to work in silos (on account of working remotely)

At the Individual Level

- Impact on physical and mental health of individuals on account of cocooning due to the lockdown and loss of work life balance
- Reduced scope for peer-to-peer interaction and learning
- Disengagement with the organisation and its goals, values and purpose

In the context of these challenges the questions that need to be reflected are

- a) As the expectations and commitments in the form of psychological contract has changed between employees and with the evolution of purpose how would it impact the value proposition offered by employers.
- b) What differential value propositions can organizations offer which would not only help the employees now but also in the future.
- c) How would psychological contracts be renegotiated currently and in the future gig economy (Expectations of employers would need to be readjusted)
- d) The word flexibility by and large is being replaced with “agility” in corporate parlance. Innovation and agility are the two most critical factors for survival in today’s modern and dynamic work environment. Hence, it is prudent that creating and maintaining agility in the workspace through employees is the key to traversing this ever-changing business dynamics.

People Challenges in the Insurance Industry

The insurance industry has been itself undergoing a paradigm shift with it moving from the people driven to being a digital driven model. The pandemic has expedited the whole process of focus on digitisation and in a country like India where the penetration of Insurance has been low created more awareness of insurance products be it health and life.

The insurance sector has always been driven on three strong pillars sales, operations, and the support function servicing both the sales and operations. Each of these verticals had to undergo a shift in mindset with respect to operating in the pandemic.

- a) Sales Function – The earlier onset of pandemic required the sales vertical to reach out and create business without being physically present with the customers. Virtual selling became a very important and critical skill when dealing with customers. Lead generation was a major challenge without the customer being present within your sphere of influence.
- b) Operations & Support Function – Most of the organizations went into the WFH model at the early onset of COVID -19. The focus became of scalability of processes and ensuring how these processes ran seamlessly in a virtual environment as they did in a physical environment.

In addition to these challenges of how business was being done, some of the issues faced were

- a) Performance Management – How do managers ensure productivity level while managing virtually.
- b) Engagement – How do we keep employees engaged and aligned and reduce the burnout that they would be facing.
- c) Camaraderie & Collaboration - With everyone operating virtually how do we build the strong feeling of teamwork amongst the team and get people to feel a part of something big.

How did we at IndiaFirst Life respond to this challenge?

The various measures undertaken by IndiaFirst Life can primarily be categorised as follows:

1. Reimagining our Purpose

Customers come at the forefront and occupy the most important position for every employee in the organisation. They are the very reason or the purpose of existence for every employee. Thus, all efforts have been undertaken to showcase our #CustomerFirst philosophy. This philosophy has ensured that we implemented measures that are empathetic to our customers and provide delight at every interaction.

- Ghar Baithe Insurance – We launched digital campaigns under the slogan of ‘Ghar Baithe Insurance’ encouraging customers to buy insurance from the comfort of their homes, while enabling the frontline with a remote sales process.
- E-Sampark – We also launched webinars on various topics of financial planning under the ‘e-Sampark’ Campaign for our Bank of Baroda customers.
- Tele MER/Video MER – We strengthened our customer onboarding journey by providing our customers with Tele MER/Video MER facility by eliminating the need to visit clinics for medical tests
- Self Service – Effective, Efficient & Intelligent – Among the pioneering initiatives with immense potential for best-in-class customer service a host of touch-points have been chatbot – IRIS, an award-winning AI enabled IVR and Self-service portal for ‘instant’ service
- WhatsApp BOT for 24/7 assistance – WhatsApp is one of the widely used communication channel by customers across the globe & enabling the chatbot on this channel provides various benefits including ease of use and simplicity.
- Smart E-mail BOT for quick customer resolutions – As part of the customer servicing aspect, IndiaFirst Life has exposed various channels for customers to interact, communicate and share

The above initiatives helped us reach out to our customer in the new normal and operate in a new agile business model.

2. Psychological Contract to Communicate Expectations and Commitment Towards our Employees

But while we engaged with our external customers, we are also understanding needs of our employees. This whole situation held high our Employee Value Proposition flag. Employee Value Proposition provides the ‘what’s in it for us’ to the employees at IndiaFirst Life. It encompasses the essence that IndiaFirst Life as an organization promises to its employees in return for their dedication and service to the organization. We are an organization that cherishes growth while holding on to our Values First. We believe in the relentless quest for success, but not at the cost of our morals, ethics and well-being. At IndiaFirst Life, we celebrate employees who embody and champion our core values: **Be Honest, Do More, Think New and Be Helpful**. In return, we promise to **Celebrate Success, Accelerate Growth, Recognize Achievements, Empower Employees (C.A.R.E.)**. We believe in nurturing an ecosystem that shows real C.A.R.E. for our employees.

- 1. Celebrate Success :** Amidst this Pandemic, IndiaFirst Life turned 11, and to celebrate our 'Gyar – Waah' saal, a virtual family day was planned for the employees along with their family members, wherein the family members can participate in categories like IndiaFirst Life Super Dancers, IndiaFirst Life Super Singers, IndiaFirst Life Super Stars, Live Tambola Game and showcase their talent by recording a video of their performance and win big and exciting prizes. The videos were played on the event day virtually and various MANCOM members including our Managing Director & CEO and Deputy CEO, live interacted with the family members after the performances and during the result announcement.
- 2. Accelerate Growth:** The biggest concern for talent today is continuous growth. People with potential will only thrive and contribute when they are continually challenged and are learning something new. IndiaFirst Life thus successfully completed the Career Progression exercise this year with promotions based on potential. A virtual and external Assessment Centre was organized to promote deserving employees to their new role. The Career Progression exercise did not end at this. The nominated employees who did not make through the Assessment Centre were provided with personalised feedback and Individual Development Plan and were then given relevant trainings in their development areas to support them in their development journeys. equip them progression next financial year.
- 3. Recognize Achievements:** Our main Rewards framework, called Achiever's First, usually recognizes high achievers in a grand occasion held at exotic domestic and international destinations. Since this was not possible due to the pandemic, an innovative approach was taken to celebrate success. A virtual program was held to recognize our prized contributors by MD&CEO, Deputy CEO and Function heads. Their families were invited to be a part of the celebration. This made both our employees and their family members extremely proud of their achievements. As for the accolades, gifts were distributed along with physical trophies.
- 4. Empower Employees:** Management chose to remain connected with the employees in the course of the most erratic year by conducting three virtual Townhalls since April 2020. Valid business numbers always give assurance that we are on the right path. The Townhalls gave assurance to employees that business was as usual at IndiaFirst Life; only the ways and means have changed due to the pandemic. Employees were given the opportunity to share their questions via email which were answered by our MD&CEO and Deputy CEO. In doing so, any insecurity or misconception that any employee might have had were responsibly dealt with. The townhall strengthen the trust employees have for the management.

What kept the workforce engaged and informed throughout, was the regular and timely *communication* by top management. There were direct emails from MD&CEO, Deputy CEO, Chief People Officer, other members of the top management. We also used our internal communications platform, yammer, LinkedIn etc. to keep the employees informed of the new way of doing business, the innovative solutions taken by various business teams as well as some videos shared by our management committee as to how they are trying to keep their spirits high amidst the gloom of the pandemic and

home isolation. These regular communications were suggestive in dealing with the new ways, they also kept the employees informed of how the business is doing and was highly motivating for the employees to see that 'we are all in this together'.

3. Proposition that extends to not just physical but a holistic psychological safety of employees

The new normal can be confusing. What to do and what not to do is often extremely baffling. To assist employees in dealing with the pandemic in a more efficient way, detailed information was provided to the employees in the form of an **Employee Support Handbook**. This handbook was designed as a guide to safety and best practices in the new normal. It encompasses how to maintain a positive outlook in such uncertain times, what are do's and don'ts of the new normal as well as the support the Human Capital time is providing for employee well-being.

The organization at all points of time was sensitive to the needs of the employees. Be it physical, mental, emotional as well as economic. Some of the employee assistance initiatives to support this includes:

1. Change in leave policy provides special leave to COVID positive employees. It also mandates work from home for employees who might have come in contact with COVID positive patients. Appropriate KPI adjustments would also be made during these leaves
2. Our Employee Assistance Program was revamped to provide 24x7 professional support to employees and family member in maintaining mental wellness. The helpline is a private, personalized service that helps encounter life challenges and achieve harmony between professional and personal life
3. Our group Medclaim covers employees, their spouse and two children for hospitalization. Additionally, parents can be included with minimal premium which is also tax saving.
4. COVID test reimbursements were introduced to help employees
5. Tips in maintaining physical wellbeing and balancing the effects of isolation and working from home.
6. A repository of correct social distancing practices and advices one how to maintain hygiene during the pandemic

During the pandemic, every employee has gone through their own struggle. Support of team and cross functional colleagues today is imperative more than ever. In keeping with this spirit, we have introduced a value driven virtual card (called *Bingo! Cards*) that employees can give to one another. A positive and collaborative environment was thus made possible where one can express their gratifications real time. This has been highly motivating for all employees.

Camaraderie at IndiaFirst is one of our strongest points as we believe in building meaningful work relations with employee engagement activities with a purpose. With the onset of the pandemic, employee engagement activities were aligned with the needs of the employees.

How organisations should therefore be responding to these challenges?

Every organisation should have a good mixture of existing workforce and new entrants to hold on to its rich legacy and at the same time also being innovative and growth focussed. As agility is very much a state of mind, companies will have to invest in the mindset of its existing workforce for them to not only accept the positive changes but also to crave more of them. Similarly, when it comes to the new hires, apart from functional competencies, one will need to recruit incumbents who have a mindset to try out different processes and continually innovate. Nimbleness of the HR function to respond to the continual changes that support the business goals will determine its agility quotient. Hence, HR needs to become an evolution catalyst to ensure that the organisation is focussed on growth by strengthening the following factors:

- Vision or Values of the organisation should have agility factor embedded in it.
- Constantly carving out differentiated products and technology enhanced processes.
- Performance management philosophy, which encourages & rewards innovation.
- Providing an ecosystem towards mitigating fear of failure and at the same time also compressing timelines and mooting fail fast concept.
- Learning architecture, which builds future capability of employees.
- Identifying and creating competency dictionary of employees enabling project allotment optimally.
- Creating a knowledge repository within the company for everyone to dip into it and thereby not needing to reinvent the wheel.
- Designing an ecosystem that not only subsumes new employees but helps them believe and commit to the organization's vision despite absence of traditional engagement approach
- Creating an environment that fosters not just intra-team collaboration but also inter-team collaboration

To implement some or all the above, an effective buy-in is required from all stakeholders as it may sometimes require a complete overhaul of the processes. A large part of energy during culture transformation and implementing change management interventions go in alignment of different stakeholders who come with diverse agendas, stakes, and perspectives. This is where the true meaning of resilience and flexibility emerge.

The first step is to ensure transparency across levels in order to ensure receptiveness of the team. This could be done through creating of culture champions in the company. The second step is to have a two-way communication channel wherein the management is constantly communicating the 'why-s' and 'how-s' and simultaneously accepting the feedback given by the team. The third and the most critical step is to ensure that the organisation is moving towards developing lean processes and structures since implementing agile processes is an ongoing process. Training and cascading the science behind this also becomes extremely critical.

In the pandemic-stricken world the true role of HR has emerged. Human Resources (HR) just isn't about people management and managing operations. Improving employee experience by keeping them engaged, productive, happy, passionate, and connected in these unprecedented times has challenged HR teams like never before. Evolving hiring patterns and talent requirements, resource reallocations, and the unexpected need for significant levels of remote collaboration and communication, have highlighted the need for flexible and resilient people practices, processes, and technologies. HR is now more of a strategic unit that offers business value in terms of growth capabilities, efficiency gains, and cost savings — all of which are important factors for an agile organisation.

Post Covid-19, HR as a function will have to progress beyond just knowing the business drivers. It'll have to become a trusted consultant to the business function and help the business create that additional traction for the next level of growth. Organizations need to reimagine, reboot, respond, and reinvent both the workforce and work design to be ongoingly resilient. As business stratagems continue to advance, organizations will need to take thought through actions to prioritize resilience. HR will have to drive this by focusing not only on efficiencies but also being hungry to succeed in their strategic ambitions.

Thus, an organisation that is able to unleash the potential of the HR function in the right spirit will benefit by building an ecosystem that is responsive and capable to evolve itself irrespective of the uncertain nature of challenges it may encounter while also sustaining engagement and productivity levels of its employees. Thus, HR will play a pivotal role as a trusted partner towards marrying the business goals and employee aspiration and creating a sweet spot with a win-win situation for both.