

Digital Insurance

Content and Community for Insurance Leaders

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[2019 WOMEN IN INSURANCE LEADERSHIP]

(Left to Right)
Stephanie Lloyd, Farmers Insurance
Tammy Nelson, SageSure Insurance Services
Mary Beth Eckert, USAA
Sherry Huang, New Energy Risk
Melanie Kolp, Nationwide
Sandy Ball, Global Bankers Insurance Group
Tracey Berg, Cerity
Kristin Guthrie, ICW Group



Digital Insurance welcomes

**WOMEN
IN INSURANCE
LEADERSHIP**

NEXT



The next leadership era

The insurance industry is changing fundamentally. Market pressures from the rapidly growing group of digitally native consumers crossing over into adulthood, are driving carriers to make changes in how they go to market, what products they provide, and how they look at leadership.

In addition to our traditional WIL program, *Digital Insurance* launched Women in Insurance Leadership: NEXT this year. We asked senior executives at insurers to nominate leaders they've identified, under the age of 40, who have the confidence of their organizations that they will be able to steward the company through insurance's evolution. NEXT honorees are at the outset of a journey that is equal parts uncertain and exciting; a path that they will forge in part by drawing on both the wisdom and institutional knowledge of WIL trailblazers and on their own instincts. We'll find out what these exceptional young people think of the industry's potential as they operationalize it over their careers.

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2019 Women in Insurance Leadership

Digital Insurance's annual celebration of women leaders helping to transform the industry with innovative thinking and sound management.



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Seizing the moment

Insurtech is letting women leaders break out and show their innovative ideas to the changing sector.



We'll hint at it in several places over the next few pages, but it's worth talking about here as well: The biggest overarching theme in this year's Women in Insurance Leadership season has been the impact insurtech has had in terms of giving women leaders opportunities to lead the way in reinventing the sector. Among our 10 winners, there are two who stand out for their insurtech-focused jobs: Stephanie Lloyd

of Farmers Insurance is part of the P&C giant's insurtech strategy, and also in charge of its startup-style spinout, Toggle. It's a similar story for Tracey Berg of Cerity, which is a subsidiary of the long-established worker's compensation company EMPLOYERS Insurance. In a meeting at Cerity's Austin, Texas headquarters, Berg related how she jumped at the opportunity to take on a new challenge at what was essentially a startup. A longtime carrier-side technology executive who was used to connecting core systems to add-ons was now literally connecting desk pieces together. Instead of taking out bad code, Berg was taking out the trash.

But that's where insurance innovation is happening, whether a startup is fresh or its an initiative from a larger company. Insurers are looking to capture more than just innovative technology from the digital revolution; they're trying to create the kind of culture that spurs innovative thinking. Women are taking advantage of these opportunities.

Our newly launched Women in Insurance Leadership: NEXT program is looking to capture that energy as well. One of the honorees, Julie Yang of the life insurance startup Bestow, was nominated by a former Women in Insurance Leadership winner, Jackie Morales, who has also embraced the startup life. Yang's essay in her application — describing the tension of wanting to succeed in changing the insurance industry, but encountering roadblocks along the way that threatened the company existentially — incorporated a tenor of emotion and tension that encapsulates why the insurtech movement is so important to this industry.

Insurance best practices didn't change that much for decades. While the technology supporting it got better, what's happening now in the digital transformation of the sector is even more than that. Conventional wisdom is falling out of favor every day, and that includes the image of the "insurance executive" as a "Man in a Gray Flannel Suit." **DI**

Nathan Golia

—Nathan Golia

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2019 WOMEN IN INSURANCE LEADERSHIP

A group of leaders combining top-shelf innovation, team-building, and forward thinking for the awards' 15th year.

As the Women in Insurance Leadership awards cross the crystal anniversary line, insurtech is making its presence felt across the industry—and on the next few pages.

Three of this year's honorees were selected for their prowess in getting startup organizations off the ground, a testament to the influence of Silicon Valley-style thinking in insurance. And all recognize the impact of next-generation customer expectations and evolving risks in changing the value proposition of insurance.

To select the Women in Insurance Leadership award winners, *Digital Insurance* issues a call for nominations. Submissions are collected from insurance companies, analysts and software vendors throughout the spring and early summer. Each year, more than 40 women are nominated. The winners from the previous year and *Digital Insurance*'s editors evaluate the entries, looking for everything from innovative ideas and ground-breaking technology deployments to a commitment to mentor other women in the industry.

Read on to learn more about this year's cohort of exemplary women leaders.



PHOTOGRAPHY BY SASHA NIALLA



From the start

By Peggy Bresnick

Shortly after Global Bankers Insurance Group opened its doors in the fourth quarter of 2016, Sandy Ball stepped into her role as chief human resources officer and began to help support the firm's rapid growth and expansion. Her efforts have had a huge material impact on the organization's business model. Her remarkable ability to find and hire the right talent across disciplines including M&A, legal, actuarial, IT and distribution has helped GBIC get established, grow and thrive.

By building out the insurer's team from scratch and establishing an exciting corporate culture that keeps associates engaged and productive, Ball has been instrumental in helping the firm grow from \$700 million in assets under management in January 2017 to \$9 billion by the end of 2018.

Previously, Ball worked at Genworth Financial rising to the position of VP of HR, where she supported Lou Hensley, who was then president of life and annuities. In late 2016, Hensley left Genworth to launch GBIC. Months later, he brought Ball aboard to become the fast-growing startup's one-person HR team.

"It was a once-in-a-lifetime opportunity for me to take everything I've done in my career and build the entire HR function from scratch," Ball says. "And when you partner with a good leader, the impact HR can have on the business is endless."

Her initial responsibilities as a one-person HR show included building traditional activities – recruiting, performance management, employee relations, policies, benefits and payroll. However, with her broad industry knowledge and leadership abilities, Ball also became responsible for GBIC's marketing and communications, facilities and leadership and development teams. She's also in charge of the firm's social media activities.

To Ball, HR goes way beyond the traditional hiring and procedural responsibilities. "I've always wanted to re-brand how HR functions in a business because it's really much more

than people realize," she says. Part of her role has been helping acquire new companies and assimilating them into the GBIC family.

"For me, when I stepped into this role, I really considered the culture and company we are trying to build," she adds. "We are trying to build a different kind of insurance company through technology."

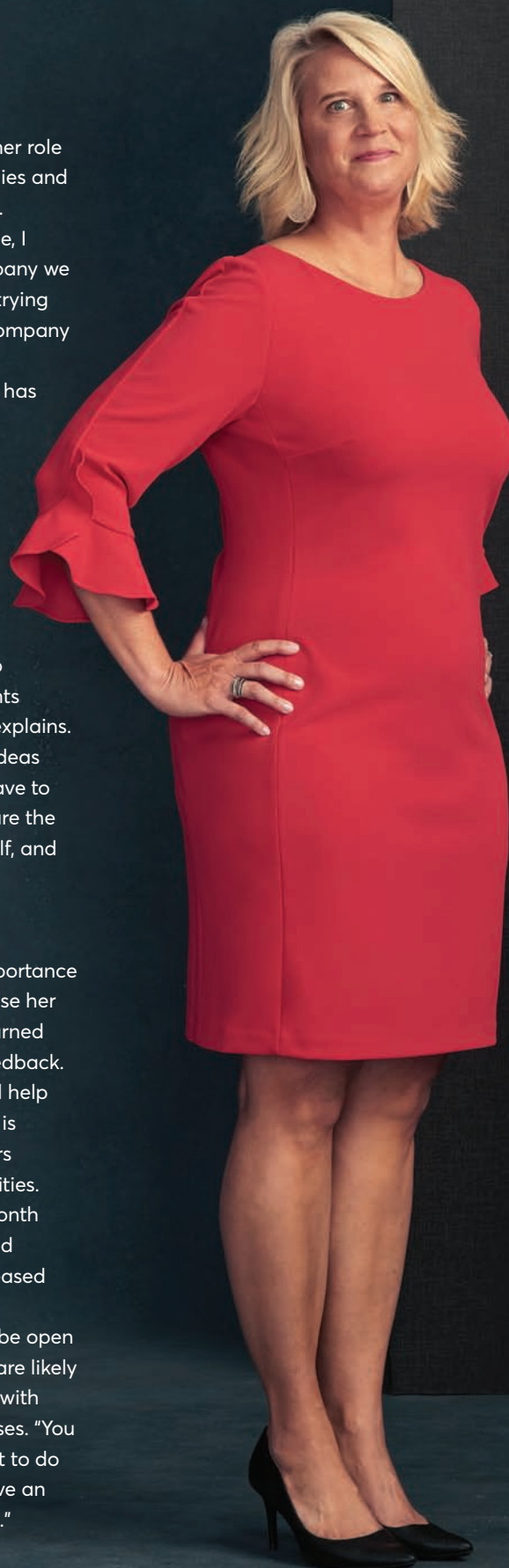
For instance, Ball explains that she has intentionally focused on attracting and hiring people right out of school or from outside the industry. Ball believes in investing in employee development and likes to give early-career associates a "stretch assignment" – a project they can own that can help them grow and learn.

"Our culture is to be creative and do things differently, and these assignments encourage that kind of thinking," Ball explains. "Sometimes associates come up with ideas that aren't what I'd want to do. But I have to step back and understand that these are the people we're marketing to, check myself, and remain open to new ideas."

A sporting chance

Athletic all her life, Ball learned the importance of team dynamics early on. And because her mom was often her coach, she also learned to accept – and give – constructive feedback. She's quick to coach associates if it will help their growth or their performance. Ball is also forthcoming in her advice to others who want to grow their leadership abilities. For managers, she customized a six-month leadership development program called Managing with Moxie. This effort increased manager effectiveness scores.

"You have to know and be yourself, be open to feedback and figure out where you are likely to be successful and surround yourself with people who will support you," she advises. "You have to be true to what you really want to do and who you want to be. Weigh in. Have an opinion. Join the broader conversation."



Sandy Ball
Chief Human Resources
Officer, Global Bankers
Insurance Group

Putting it together

By Nathan Golia

For insurance technology executives, the insurtech revolution is offering opportunities for new challenges that are wholly different from what they may have done early in their careers. Epitomizing this example is Tracey Berg, CEO of Cerity, a digital, direct-to-consumer spinout of EMPLOYERS Mutual, iterating on a platform to help small businesses and new entrepreneurs get the workers' compensation coverage they need in more consumer e-commerce experience.

Berg joined EMPLOYERS as EVP and CIO in 2019, with a more traditional background and outlook for the job based on her more than 25 years of experience in insurance and tech. She had overseen multiple core replacement and upgrades in several years in the top tech job at West Bend Mutual; before that she had worked at Assurant. It appeared likely that EMPLOYERS would be looking for similar things. But the opportunity was impossible to pass up.

"I had tried not to be focused only on technology, but also participate in the corporate organizational strategy," Berg says. "When our CEO [Doug Dirks] wanted to look at opportunities in direct to consumer, I led a team that took on the business case for that."

Berg led a team of four through research and development of the Cerity product offering, along with the creation of a new subsidiary, which launched in about a year from its approval. The product is aimed toward company clients with 25 or fewer employees, but its customer profile is targeted more specifically toward buying preference, she explains.

"We saw a shift in consumer buying behaviors — one of which is instant gratification. We believed that it happening at scale is a 'when, not if' question," Berg says. "We did some research on people's buying preferences — keeping in mind that what they say and do is not always the same. Our product is perfect for small business owners who demand a simple and fast process and comfortable buying online."

With limited resources and a complete greenfield opportunity to build on. Berg and her team developed Cerity's platform to be entirely cloud-based, with no data center, using technology from Duck Creek on the back end and focusing on how to feed that with data and a modernized front end and present a differentiated experience to workers' comp buyers.

"What's changed [in insurance] is the ability to do data analytics, understand which questions are required and which aren't, based on years of experience. You ask yourself: 'historically we asked these questions, which ones can we figure out on our own without asking the customer?' That's how you get from something that's 30 questions long to something that's 10 questions or less," she explains.

Talent acquisition

As it became clearer that Cerity was going to require more talent than could be reasonably expected to find in the Reno, Nev. area where EMPLOYERS is based, Berg and the team conducted a survey of municipalities as potential relocation sites. They settled on Austin, and have grown the team from four to 34 by drawing on the rich tech talent pool in the area.

That's not to say that things were move-in ready, however. Berg says that as the leader of what's effectively a startup, "you find yourself doing a lot of things like assembling desks and reloading the copier and washing dishes."

However, that energy is part of the company's sales pitch to prospective employees. "There's not a lot of people sitting around looking for jobs. So we want to have a pretty cool story to tell," she says. "It's fun and exciting, but not necessarily easy and it's not for everybody. We hire as much on cultural fit as skills fit. If you think I'm going to draw a nice tidy box around what you do, you're mistaken."

Tracey Berg
President, Cerity



Mary Beth Eckert
CIO for Property and
Casualty, USAA



Undaunted by change

By Peggy Bresnick

As USAA's CIO for property and casualty, Mary Beth Eckert is responsible for managing IT operations for a \$21 billion-revenue business. She's currently overseeing a modernization program, a multi-billion dollar large-scale, digital, end-to-end transformation program. A project on this scale would be daunting to most, but Eckert has a passion for running large teams and large projects and she generates excitement about transformation throughout her organization.

"I've taken some pretty big risks along the way to build skills and experience," she says. "For me, it's about bringing on change and enabling the future through technology."

Eckert came to USAA in late 2017 from Travelers, where she was VP of ebusiness technology after starting as VP of personal insurance business technology. "From that move, I got Dev/Ops experience, Agile and SAFe experience, which were hot skills and allowed me to market myself differently," she says. "It's all about understanding what's hot in the market, what you have a passion for, and what you're willing to stretch towards."

Transforming the insurance technology stack for USAA both excites Eckert and keeps her up at night. She says that digital capabilities are especially important to USAA's policyholders, who are active, retired and honorably separated military personal, as well as officer candidates and adult children or spouses of USAA members. "The younger generation, in particular, wants to be able to do everything on their phone and only contact us if they need to. And deployed troops can't call, so they need the ability to do everything digitally," she points out.

The people advantage

She may be leading digital transformation at USAA, but Eckert is most proud of the people aspects of her job. "I love surrounding myself with really good people, nurturing them and taking them to new levels they didn't realize

they could get to," she explains. "I want people on my team to love to come to work every day and I want them to be inspired."

When she got to USAA, Eckert found a high-performing team already in place, so she was able to get to work quickly. "It was the best gift I've ever been given," she says. "It's all about the relationships with the team. Across both the technology teams and business teams, these are some of the most fantastic people I've worked with. We have an amazing amount of respect for one another, so we have healthy debates that lead to collaborative problem-solving."

Eckert strives to be an authentic collaborative and empathetic leader, and has learned from many different leaders that have crossed her path. She explains that Jay Fishman, who was chairman and CEO at The Travelers Companies, taught her how to engage and deliver messages that inspire people. "He understood that people are the basis of a really great company and it was important to spend time on people. That's a lesson I won't forget."

Eckert mentors quite a few people and many are women. "My message to them is that you must have the confidence to take a risk because if you don't try, you will never know your true potential, so go for it," she explains. "You have to try for that new role. You have to know your value proposition and negotiate if you get the offer. You have to expand your skill set. And you have to surround yourself with people you like and who support you. You can't go it alone. Too many women sit in the back seat and allow others to lead. You've got to take the risk to promote your career."

Authenticity and bravery are equally crucial, she concludes. "As a woman in IT, I was second chair for many years of my career. People told me that was where I belonged and I believed them," she says. "You have to have confidence in yourself to help get to that next level."

An extroverted producer

By Anne Rawland Gabriel

With no finish line in sight, Maureen Gallagher's 45-year insurance trajectory is a testament to the industry's evolution as well as the role of women in it.

"When I graduated from high school in 1974, my parents believed boys went to college, but girls did not," explains Gallagher, who is now agency president and national real estate and workers compensation practice leader with the Orlando-based AssuredPartners brokerage firm. "So, at age 17, I applied for a secretarial job at the boiler and machinery department of Zurich Insurance and they hired me."

Although her office lacked female role models, the indefatigable Gallagher fell in love with the industry for its focus on making lives whole. "I seized opportunities as they arose through the years, even if I wasn't completely ready," says Gallagher. "I call it an accidental career."

What clearly isn't accidental is Gallagher's ability to identify professional matches for her innate skills. This propelled her to becoming a recognized "Top 1%" producer in the commercial real estate and workers compensation markets.

Gallagher's transition from support to production began around age 19, when she volunteered to fill-in as an underwriter. During that period, Gallagher asked about two male office visitors who were considerably more engaging than her otherwise-staid colleagues.

"I was told they were agents, but I didn't know what an agent was," she says. "Upon learning about an agent's roles and responsibilities, it was an 'aha' moment."

Peer mentoring comes at a critical moment

A quick learner, Gallagher credits peer mentoring with also making a difference. While president of the brokerage Acordia, the organizations introverted CFO, who reported to Gallagher, supplied positive and unvarnished observations on what she described as Gallagher's "extreme extroversion."

"When I invaded my CFO's personal space, I could be so overwhelming that she couldn't hear what I was saying," recalls Gallagher. "It was a comical and insightful moment."

Gallagher considers this gift as vital to helping her become a successful leader and producer. Indeed, her accomplishments at Acordia enabled leveraging her client relationships and industry reputation to establish her own firm in 2001. The endeavor included what was then an aspirational industry goal to be paperless. "After all of the years of managing information in manila folders, I decided I wanted to be paperless from day one," she says.

Working with an insurance IT integrator, Gallagher's firm deployed a leading agency management system and adapted it to be paperless. "Although our technology partners were outstanding, much of it we figured out on our own," she says. "When you challenge people, it's amazing how they step up to the challenge."

Unsurprisingly, some individuals were less enthusiastic and continued creating printouts. "I literally removed our copiers and printers for two months to get the final two individuals onboard," Gallagher says.

A few years later, Gallagher sold her firm to the Neace Lukens brokerage, now an AssuredPartners' company, taking her can-do technology attitude with her. "Initially, others at Neace Lukens argued larger accounts couldn't be paperless," says Gallagher. "I countered that my firm had been writing large accounts without paper, so it just wasn't true."

Today, Gallagher maintains a client book with commissions and fees exceeding \$3 million annually while shifting her focus to teaching and mentoring upcoming generations. "Leaving a legacy of helping as many people as I can, at an important time in their careers, is incredibly rewarding work that keeps me energized."



Maureen Gallagher
Agency President,
National Real Estate
and Workers
Compensation
Practice Leader,
AssuredPartners

Taking flight in insurance CX

By Anne Rawland Gabriel

After 15 years in aerospace, Kristin Guthrie shifted gears by moving to insurance in mid-2016. "I was looking for something more rewarding than simply meeting or exceeding financial goals," says Guthrie, the SVP of customer experience for San Diego-headquartered ICW Group Insurance Companies. "While financials are critical, I also wanted the opportunity to enrich lives."

In her relatively short tenure, Guthrie is already well along at turning all of ICW Group's 800 employees into "an army of customer experience advocates" while also helping launch a new customer retention offering that's safeguarding nearly \$250 million in revenue.

Still, aerospace left an indelible mark on Guthrie, who attributes her CX passion to Cessna Aircraft's Six Sigma program. "Although most people associate Six Sigma with 'lean,' it's primary focus is improving the customer experiences," she says. "Importantly, it advocates using your customers' yardsticks – not company metrics – for measuring success. It's about delivering both" profit and top-notch experience, she explains.

At ICW Group, Guthrie's charge is developing and implementing formal CX programs to support the company's existing deep cultural commitment to delivering exceptional experiences. To start, Guthrie and her 15-person CX and marketing team designed an enterprise-wide CX certification program. Participants develop plans for removing two existing experience pain points, "each with ROI for the company and the customer," she says. "The program ends in an enterprise-wide expo, similar to a science fair."

By making CX concrete and relatable, certification interest skyrocketed from a 20-person graduating class during the first year to 245 applicants for the following year. Other internal efforts include packaging CX as a product, complete with a dedicated "CX project catalog" containing carefully honed messaging. "After all, inspiring and compelling humans within our four walls should receive the same amount of effort as customer-facing messages," Guthrie says.

Externally, Guthrie is applying a combination of strategies to uncover CX needs and execute profitable solutions. For example, ICW Group has adopted a CRM and linked it with Survey Gizmo. "For certain indicators, any customer response below a '10' automatically generates a notification to the appropriate employee, or group, to take action," she says. In this way, specific incidents get addressed while collecting cumulative data for identifying and remediating systemic issues.

"For each survey indicator, we've quantified the impact of moving the needle a certain amount," Guthrie says. "This helps us determine where to invest."

For the customer retention initiative, Guthrie's team wanted to offer policyholders a free-of-charge service related to the workers' comp market. To evaluate which service would generate sufficient returns, the team devised a unique survey methodology.

"We placed a dollar value on each of five potential offerings," Guthrie says. "Customers consistently selected an HR hotline," which is supplied by a third party, "Registrants have exceeded our forecasts by 200 percent," she reports. "Utilization is about three times higher than expected."

Looking to the future

Beyond her efforts at ICW Group, Guthrie not only foresees a bright future for CX but also for supportive technologies. To that end, Guthrie predicts today's "lazy AIs" will evolve into truly additive tools. "Currently, many AI offerings shift the burden of the work onto the customer," she says, but "AI technologies will evolve to facilitate those enriching customer conversations by automating the mundane."

"CX isn't a department," she concludes. "It's every person invested with the authority to make a difference."



Kristin Guthrie
SVP of Customer
Experience,
ICW Group

Sherry Huang
Chief Actuary,
New Energy Risk

Taking on new risks

By Sharon Goldman

For Sherry Huang, the path to becoming an actuary started at an on-campus interview after studying statistics as an undergraduate in Berkeley. These days, as Chief Actuary at New Energy Risk (NER), which helps insure technical risk for breakthrough technologies related to renewable energy projects, she continues to use and evaluate data creatively, by analyzing and pricing transactions of technical performance risk.

"The central theme of all my experiences has been developing data-driven strategies and building a modeling framework to capture patterns and all elements of risk," she says. Huang built the techno-economic modeling platform the NER team relies on from scratch, coding it in Python herself, integrating it with cloud-based databases, and creating a leading-edge user interface that is flexible in its inputs and allows team members to quickly analyze client risk profiles. She credits an analytics team leader at a client site with helping her understand how to build an effective and passionate team.

The work at NER, an MGA affiliated with AXA XL, is exciting and rewarding, she explains, because the company uses insurance and reinsurance to help address pressing global challenges related to clean technology, in areas such as waste, energy and new battery chemistries. Many clients have technologies that turn waste into products (or "trash to cash"), while others work on innovative, lower-carbon energy storage products.

"Through our underwriting rigor and consistent risk evaluation framework, I help turn risk into opportunities and enable growth for both for our customers and for our insurance partners," she says. "Together, we are building a more sustainable future."

Day-to-day, Huang spends her time evaluating clients' pilot plant performance data together with NER's science/engineering team, understanding related project economics, market factors and regulations. "Ultimately, I

make sure our risk model for each transaction is consistent, comprehensive and transparent, so our insurer and reinsurer partners can rely on the results to deploy their capital," she explains.

This kind of innovation in the insurance space is bound to continue, she predicts, either based on new technologies or new creative policy coverages that address an existing protection gap.

"I see continuous support on the regulatory and private investment front which will allow more energy technology companies to grow," she says. "I see the insurance industry continuing to focus on sustainability and closing the protection gap, making a real difference in the global economy in a meaningful way."

Opportunities abound

Huang believes there's a commitment to leveling the playing field for women and minorities in both the technology and insurance industries.

"More women leaders are willing to speak out and step up about issues such as pay inequality and the glass ceiling," she says. "I see a trend of empowerment for women as well as minorities, by male and female leaders alike."

There is a real recognition of a disproportionate percent of C-suite women leaders and women entrepreneurs and venture-capital investors participating in the start-up world, she adds, pointing to California's move to require all publicly held corporations headquartered in California to have at least one women director on their board by the end of 2019, causing a shift in the gender balance in the corporate board rooms.

"I believe over time, everyone will recognize that diversity is a key to innovation and profitability, and hopefully we will have a statistically significant data set to prove it," she says. "I also hope that I can inspire and empower others as my mentors have inspired me. These lessons stay with me."



Melanie Kolp
SVP and CIO, enterprise
applications, Nationwide



Finding a tech home

By Sharon Goldman

In her role as SVP and CIO of enterprise applications at Columbus, Ohio-based Nationwide Mutual Insurance, Melanie Kolp leads the company's technology efforts in a broad variety of core business areas, including HR, legal, investments and finance. Even as a child, however, there was never a doubt that technology would be a part of her future, she recalls Kolp's future.

"I had a Commodore 64 computer hooked up to my TV and Hello, World programs by the time I was 11 or 12," she recalls. "I was just enamored by technology." After gaining a dual degree in management information systems and management at Ohio State University, Kolp went on to gain nearly a decade of experience across multiple industries, including insurance, utilities and financial services. But when she joined Nationwide in 2005, she felt it was the perfect fit both in terms of industry and culture.

"Once I got to Nationwide I loved it, because with such a big company, of over 30,000, there are so many opportunities to move around," she says. "I don't feel like I've been at the same company." Before taking on her latest role, she most recently led technology for the company's retirement plans business. In less than a year, she improved productivity and reducing costs for a program that was not delivering as expected.

Previously, Kolp held several other leadership roles across Nationwide, including overseeing technology for Property and Casualty homeowners insurance and agency systems; as an executive in an Agile/Lean development environment, and serving as the technology leader for the company's finance department.

For Kolp, the insurance industry has always been fascinating because it is so ripe for technological opportunity, she says. "Even when I started 15 years ago the insurance industry wasn't thinking about the latest technology that would improve the customer experience," she explains. These days, however, there are endless possibilities. "There are partnerships with other technology companies that has been really fascinating, while advancements such as Amazon's Alexa have totally changed the way we think about everything from a digital consumer mindset."

In her new role, she says, "I'm appropriately terrified, if you believe your dreams should scare you." However, what she is most excited about is taking her vast experience and broadening her influence across the business. "Early on in my career I called one of my mentors and asked her advice on accepting my previous position, and she asked me what I knew about this opportunity," she says. "I said I don't know anything about retirement plans. She slammed her hand down and said, 'Stop telling me what you don't know and tell me what you do know.' That changed her whole way of thinking about taking on something new, she explains: "Now I go in with more confidence."

Kolp, in turn, enjoys mentoring other women in technology, serving in her own community as the president of Columbus Women in Tech. She is also one of the founders of the Women in IT organization within Nationwide IT and has represented Nationwide as part of the Anita Borg Foundation.

"I get a huge thrill when I can help women understand how to manage difficult times," she says, adding that the challenge for women in tech is not only about encouraging them to go into STEM programs and into the technology field, but to keep them from leaving the industry. "We have to figure out how to stop women from hitting the point in life when they are ready to have children and struggle with the demands of being in a highly-demanding field," she emphasizes. "We have to help them not give up and be able to push through it."

In her own career, she has a "flurry of women, a tribe who have been my biggest supporters and sponsors throughout my whole career," she says. "We support each other, celebrate each other's successes and help us get through the good times and bad."

Bringing insurtech to the business

By Sharon Goldman

She may have studied math and statistics, looking towards a future in R&D, but it was Stephanie Lloyd's ability to talk to people and translate statistical models to the business that would propel her into insurtech leadership — as head of new ventures at Farmers Insurance and president of its innovative insurtech brand Toggle Insurance. However, early on in her new role, Lloyd found herself facing a bout of imposter syndrome, wondering if she could find the confidence she needed to succeed.

The best advice she received at that time, she says, flew in the face of her math and statistics background. "Some great feedback was that there is no right answer and the only wrong answer is inaction," she says. "That was very liberating for me and helped me orient my team around that mentality in order to move quickly."

In her role as Toggle's "head honcho" (as it says on the company's website), Lloyd is responsible for driving product innovation, expanding existing products into new markets, and finding new business opportunities while navigating the complex waters of channel conflict and insurance regulation. Toggle, a digital, affordable, customizable renters insurance subscription designed to meet the unique needs and budget of today's renters, launched in 2018 in Illinois and Wisconsin.

This past March it expanded to nine additional states: Colorado, Indiana, Iowa, Kansas, Minnesota, Missouri, Ohio, Utah and Virginia.

New mindset

Toggle required a big shift in mindset and perspective from her previous roles at Farmers, including, most recently, chief underwriting officer for personal lines. "In March of 2018 I was basically told to go figure out what I wanted to build and who I needed," she recalls. "The only rules were that I couldn't build any of the products or services on legacy IT systems — I had to go find a technology partner." Seven months later, Toggle was in market.

The backing, security and stability of Farmers makes a big difference in the company's success, she emphasizes. "I honestly believe I have the best job in insurance because I have Farmers, with its 90-plus years of experience and credit and financial support," she says. "But I get to run a startup where my team is a self-governed, empowered team where we don't have to ask for permission to make decisions."

Working in insurtech is also an exciting part of the industry, she adds. "For so many years insurance was insulated from changes in consumer preferences," she says. "It wasn't a priority and no one forced our hand, but now the hype and excitement of insurtech has helped awaken the sleeping giant and the winners are the customers."

Changing roles

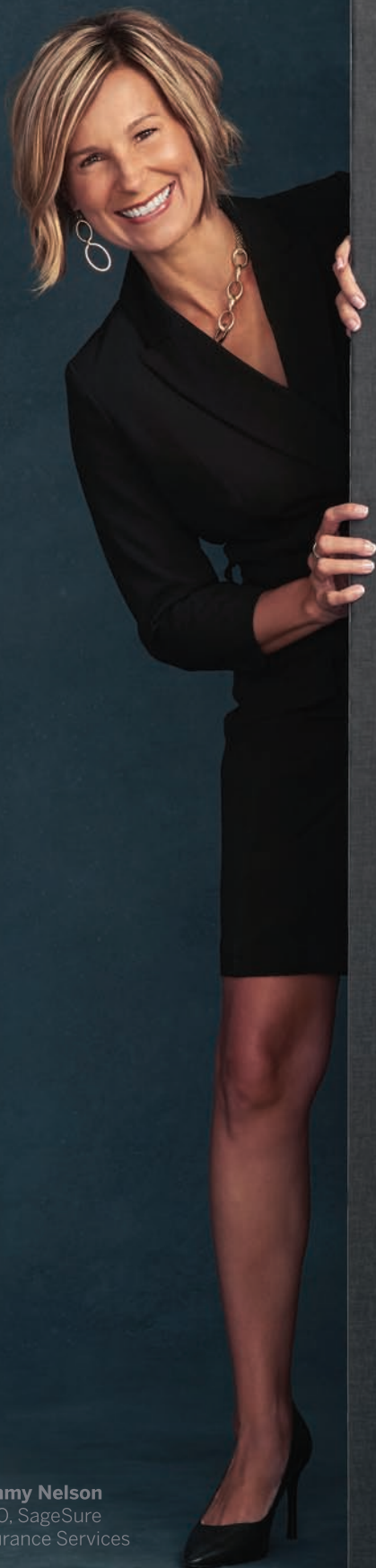
Seeing the role of women change has also been exciting over the course of her career, Lloyd says. "It's really important how it has risen in consciousness, with more honesty around how to improve inclusiveness," she explains. "I used to sit in meetings and count the number of women in attendance, with perhaps two in a room of 50 men. Now I see more energy around trying to address the gap, which I think has helped the business — it's not just an altruistic endeavor."

In terms of her own career trajectory, Lloyd says she now knows you can never predict when opportunities will happen and when is the right time for the next step.

"I had booked an African vacation to Tanzania and Uganda months before I ever was offered the role at Toggle, and it turned out it was over Toggle's launch week," she says. "There was no getting out of it or changing it, so I'm in the Serengeti on my work phone, with a lion to my left and an elephant to my right, asking how QA testing is going. It just shows you never know what will happen and you just have to go for it."



Stephanie Lloyd
Head of New Ventures,
Farmers Insurance



Tammy Nelson
CMO, SageSure
Insurance Services

Partnership approach

By Anne Rawland Gabriel

For chief marketers like Tammy Nelson, modern branding success requires making the customer experience an equal partner to sales and marketing. "If a customer's experience with us doesn't match the messages we're communicating, then all we're really doing is putting lipstick on a pig," explains the CMO of New Jersey-based specialty MGU SageSure Insurance Managers.

The CX epiphany came to Nelson during an earlier role at Ameriprise. There, she'd led marketing efforts for nearly a decade, only to see the company fall short on the 2010 J.D. Power survey. In response, she spearheaded an initiative to reorient the company's culture and processes.

"By altering our priorities to becoming driven by customer expectations, such as one-call issue resolution, the very next year we shot up 25 points in the rankings," Nelson says. "We had a top-five slot."

Putting passion to work

Since then, Nelson has remained passionate about combining CX with sales and marketing, including at fast-growing SageSure. Since joining the firm in late 2016, she's built a department of 12 into a data-driven integrated sales, marketing and CX team of 41.

"It's our team's job to continue driving outsized company growth," she says. "To do so, we're evolving our brand and experiences because we want to be the number one choice in coastal property insurance with our producers."

Nelson says her approach, which emphasizes teams over individuals, arises from an early mentoring experience. "As a young professional working at a marketing agency, I held a successful client meeting by myself and was fairly smug about my accomplishment," she says. Her manager was not as impressed, and gently schooled her on the weakness of

excluding others. "He pointed out that the client belonged to the firm, not me," she says. "It was critical to nurture multiple relationships by always approaching clients as a team."

Humbled, Nelson has forever afterwards focused on the needs of the whole. "To this day, 'we' is my preferred pronoun," she says.

As for technology, Nelson is leveraging multiple applications and analytics, such as combining Salesforce's Sales Cloud and Marketing Cloud to create detailed producer and customer journeys "For example, a new producer might get an immediate marketing message welcoming them to SageSure and inviting them to a training webinar," says Nelson. "Then, a week or so later, a task for that producer's sales manager may get kicked off prompting that individual to call or visit the producer, along with the messages we want the manager to convey."

Nelson's other SageSure initiatives have included an internal purpose and values initiative, where led a cross-functional team to establish a set of "ownable" and relatable core principles that drive all internal and external activities.

"We went beyond the types of vague value statements that you could find on a wall anywhere," Nelson says. "Instead, we worked to uncover and formalize the concepts that were already fundamental to our corporate culture. As a result, the embrace within our company has taken off like wildfire, which is really exciting."

Regardless what the future holds, Nelson plans to continue helping people turn a desired change into a reality. "My goal is to lead people beyond the 'wishing' phase to envisioning what changes are required and the steps they need to take," she says.

"Ultimately, it's about facilitating the realization that we each have the power to make create change," she concludes.

Agile problem solving

By Anne Rawland Gabriel

Editor's note: Powell was nominated, selected and interviewed while at Georgia Farm Bureau; she is now CEO of FBAlliance.

Geri Powell has worn an assortment of hats over her more than 20 years in insurance. At Georgia Farm Bureau, she began in marketing and moved to commercial underwriting before stepping into roles in claims, audit and management. Eventually, she was appointed to the position of executive director of business strategy and development, a position that allowed her put her problem-solving skills to work, particularly with rapid technology advancements helping to change the way Georgia Farm Bureau conducts business.

"I love the challenge of figuring out how we will adapt and lead in the future with all of the tools we now have and in a way that doesn't resemble what we've traditionally known as a business model," she explains. "My biggest challenge so far is how we transform our business model quickly enough to keep pace with the digital disruptors without overextending ourselves and negatively impacting our bottom line, or in a way that is at all detrimental to servicing our members and preserving the agent/client relationship."

As the executive in charge of innovation and execution, Powell kept an eye on the market for ideas, partners, systems and opportunities that could enable Georgia Farm Bureau to bring innovations to the organization, like artificial intelligence and increased automation, and for ways to increase speed to market, improve customer-centricity and customer experience. She also looks for solutions that could streamline workflows and processes that will increase efficiencies and make policyholder interactions easier and more convenient.

In 2018, Georgia Farm Bureau launched a new initiative to update aging technology that would increase speed to market for new product and services lines, enabling growth and support better reinsurer rates and improve its AM Best rating. Powell took an active role in leading the company's major systems transition via Agile conversion of its legacy systems and homegrown applications, an effort that is consolidating 12 disparate systems into one application that handles the company's homeowner, personal, commercial and fleet auto, farm, inland marine, commercial and umbrella lines from quote to policy issuance and including billing and claims processing. In addition, she helped devise and execute the firm's digital/web/mobile strategy and helped create program monitoring and reporting to align business units with corporate strategy to drive positive performance and achieve corporate goals.

Powell has a forward-thinking outlook and is always on the lookout for new and innovative ideas, and she inspires this thinking across the organization. She welcomes – and values – multiple perspectives to ensure that she's formulated a well thought out solution. "I have a personal open-door policy and I strive to entertain all ideas with equal thought and consideration," she says. "You can't make big decisions in a vacuum, unilaterally. I am in the business of risk management, and to do so effectively requires considering what impact my next move will have both for the short term and long term. If you consider all of the risks and consequences, often times, the right decision will rise to the top."



Geri Powell
CEO, FBAlliance

Women in insurtech



Judges at the Female Founders of Insurtech event, from left: Beti Cung, CSAA; Barbara Bufkin, IICF; Faisal Siddiqi, DXC; Andre Dreyer, RGAX

Women founders in insurtech

Quesnay's second annual Female Founders in Insurtech competition spotlights the range of entrepreneurship.

By Nathan Golia

For the second consecutive year, innovation consultancy Quesnay held a Female Founders in Insurtech startup competition for women founders in the industry. The company has been holding horizontal showcases for women founders across industries for four years total.

The competition is supported by CSAA Insurance Group's venture arm, Avanta, as well as RGAX. Applicants from 25 countries came in with five finalists selected to pitch on Sept. 23, 2019, in Las Vegas.

To prepare, the finalists participated in a four-week mentorship program, where they had access to regulatory and compliance training from Boost Insurance, office hours from a previous Female Founders in Tech

winner, and other assistance as they refined their product.

The top three pitches received a combined \$25,000 cash prize, complimentary access to co-working space at Upward Hartford, and an Innovation Women membership. The first place winner also receives additional mentoring from QBE Ventures.

Finally, a people's choice award winner was given a second chance to pitch to innovation execs at Insurtech Connect's showcase the next day.

Following is a look into the finalists' event. You can take a look at some of the participants and learn about their companies, and find out who took each prize.



Been there before

The event kicked off with a presentation from judge Jen Fitzgerald, whose Policygenius was one of the first insurtechs to have breakout success. "Capital is oxygen," she said, advising the founders to "get advice from founders who are slightly ahead of you on the growth curve" on how to pitch to VCs. "It looks like some companies wave a wand and make millions of dollars, but the slog can take months," she related. "But execution is everything. It boils down to people, culture, and getting aligned on strategy."



Threat assessment

The first presenter was Gentry Lane of Anova, which provides cybersecurity software to defend against the advanced persistent threats of states like Iran, China, Russia and North Korea. "There's two types of companies that get hit: those who will tell you they've been breached and those that are lying," Lane said. Anova uses AI and machine learning to power its vRAM forensic analysis of networks, she explained.



Automation sensation

Next up was Aurora Voss of Claimspace, who had to present remotely from her home in Australia due to a health issue. Her company is focused on helping insurers in lines like life, worker's compensation and commercial lines automate claims. Most claims software is focused on personal P&C due to the "low complexity of the market," she explains, but these other business lines are "still spending half their working day collecting claims requirements." Claimspace was the first place winner.



Live look-in

Following Voss was Jen Friel of Dropin, which provides live video customers can use to relay damage images to their insurers when it's hard to get adjusters to their location. The slightly more mature company already has a partnership with Lyft, she noted. Dropin took second place and also won the People's Choice award.



Bot time

After her, Liri Segal of LEO, a conversational AI platform, took the stage. "We give you time to invest in your customers while we automate the rest," she pitched, talking about how her company provides quotes via white-labeled mobile chat and text. The funding model is a "success fee:" "You pay only if you see results," she said.



Last insurance you'll need

The final presenter was Kate Terry of Surround Insurance, who said the insurance industry had to adapt to changing customer profiles. "Insurance used to be something you bought at a coming of age moment: you get married, you bought a home together, and got home insurance." But now with delays common among young people on those milestones, "they are opting out entirely and exposed to risk," Terry explained. Surround's solution is a subscription product that bundles several mono-line insurances into a front end that appears as though it's only one item, then changes as the customer does. It's first product is aimed at the "asset-light" customer, who needs rental coverage, non-owned auto (for car sharing and similar), and some liability coverage for a side gig. Surround took third. **DI**



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Digital Insurance introduces

WOMEN IN INSURANCE LEADERSHIP

NEXT



Recognizing the upcoming generation
of leadership that will bring insurance through
digital transformation for decades to come

By Nathan Golia

The insurance industry is changing fundamentally. Market pressures from the rapidly growing group of digitally native consumers crossing over into adulthood, are driving carriers to make changes in how they go to market, what products they provide, and how they look at leadership.

That's why this year, In addition to our traditional WIL program, Digital Insurance launched Women in Insurance Leadership: NEXT this year. We asked senior executives at insurers to nominate leaders they've identified, under the age of 40, who have the confidence of their organizations that they will be able to steward the company through insurance's evolution. Then we asked them to talk about their young careers, and to look forward at what's to come.

That's because the book on these women is still unwritten. NEXT honorees are at the outset of a journey that is equal parts uncertain and exciting; a path that they will forge in part by drawing on both the wisdom and institutional knowledge of WIL trailblazers and on their own instincts.

WIL NEXT winners share several characteristics.

They are solidly members of the Millennial generation; members of a cohort that has been courted since coming of age in the years following the 2008 economic meltdown. That means their adeptness in working in a digital environment is of major value to the insurers trying to adapt. "Even the value proposition of an insurance company has the potential to shift from risk taking to risk prevention – this means that we as young leaders have the opportunity to question the status quo with credibility," says Kassie Bryan of Swiss Re.

They also feel a duty to challenge established views of the industry. "I had no idea what insurance was beyond a 'good idea' for those who could afford it," says Bestow's Julie Yang. "We believe strongly in the moral obligation we have to correctly underwrite the consumer and protect their data, and I hope that this discussion leads us to a future where data is not a dreaded word, but a welcome One that is used to make all our lives better."

WIL NEXT honorees, like many of their peers, represent the first executive in their industry to have digital strategy at the forefront of their careers from day one.

"Having the opportunity to participate as the industry evolves in the digital age and the risks continue to change has been really rewarding," says Travelers' Heather Cavallero. "It's changing trends like these that make the industry so exciting, because a decade ago, leveraging design-led thinking, customer feedback and behavioral metrics was not as commonly discussed. And I know in less than five years, I will be talking about a new topic that's imperative to our future success."

Solutions-oriented thinking

Kassie Bryan leads the team at Swiss Re responsible for defining Swiss Re's insurtech partnership strategy. This included developing a road map to help interested startups navigate large, complex organizations like Swiss Re and other insurers. She and her group also has developed analytics offerings for Swiss Re's insurance clients; one in particular incorporated behavioral economics to help reduce policy lapse. Nominated by Keith Wolfe, president of U.S. P&C, Bryan was previously part of Swiss Re's M&A team.

What is your favorite part of working in insurance?

What do you think the industry could do better?

Knowing that I am helping make the world more resilient. It keeps me motivated to know that the work I do enables entrepreneurs to take risks and families to get back on their feet after catastrophes. I think this is an aspect of insurance that resonates with many people, and is one of the draws to working in this industry. On the other hand, I think insurance is viewed as outdated and cumbersome – particularly the policy forms we use and the paper trails that are frequently still relied on. This reputation means the excitement of insurance as an industry isn't understood more broadly, and we are struggling to bring in young talent compared to other industries.

What personality trait do you see as helping you find success in your career thus far?

Curiosity and a love of learning new things have driven me to push myself to grow in new areas and dive into each job with an excitement for developing new skill sets. Each new job has had a steep learning curve. For example, when I began my role with Principal Investments & Acquisitions, I had no finance background — I was a political science major looking to become a lawyer — but found I loved the logic of balance sheets and strategic thinking of investing, and took outside accounting classes to strengthen my understanding of corporate finance. Now in Solutions, one of my favorite parts of my job is learning every day about emerging technologies and tracking the waves of change that are transforming the insurance industry.



Kassie Bryan

**Head of P&C
Solutions,
Americas, Swiss Re**

Age: 31

Direct reports: 2

Heather Cavallaro

Second Vice President,
Travelers

Age: 39

Direct reports: 12



A mentor and a believer

Heather Cavallaro is recognized for her work in building an integrated customer experience across Travelers. As leader of the business insurance digital team, she and her team have partnered with technology and business leaders across the company to deliver increased self-service capabilities through online channels. Nominated by EVP and chief technology and operations officer Mojgan Lefebvre, Cavallaro is also known within Travelers for mentoring Travelers interns and Leadership Development Program participants.

How have role models and mentors helped you on your journey in insurance?

I have had the opportunity to work with and continue to work with so many admirable leaders and technologists. What stands out for me is one of our female Vice Presidents who encouraged me to bring my whole self to work. She modeled for me that it was always okay to stand firm on your principles and beliefs and that I did not need to conform (i.e., cut my long hair) to be an executive (14 years ago, I couldn't find a senior female with long hair). She also taught me it was okay to be vulnerable, share authentic stories about who I am and helped me lose the fear of being judged by others.

What's a myth about insurance you are hoping to challenge?

It's not yet common knowledge that technology in the Insurance industry is super exciting. From a digital perspective, we have vast opportunities within Insurance, including leveraging digital ecosystems more in our distribution strategies, data and analytics to augment and expedite underwriting, and the use of Internet of Things and sensor-based insights to help prevent losses. Technology is becoming more ingrained in our business strategies rather than being treated as a separate organization that supports them.

Analytics driving performance

A specialist in catastrophe risk, Elizabeth Henderson has become a leader in leveraging digital in her time at Aon. She was the business leader on Analytics Dashboards, identifying the tech partners to help develop a web-based, interactive reporting system that gives Aon clients access to a wide variety of insight. Henderson also invested in workflow automation for the catastrophe group, isolating bottlenecks that could be mitigated with technology. Nominated by Dan Dick, executive managing director, Henderson also sits on Aon's Diversity & Inclusion Council.

How do you view your leadership strategy?

I have built a team of some of the most skilled catastrophe risk analysts in the industry and we are constantly finding new insights and analyses to share with our clients. The key to curating a successful analytics team, though, is keeping the focus on the practical applications of what we are presenting. How will a new product help our clients grow?

Are we able to articulate the value of our work to our clients? Are we delivering our work in a way that will drive the most actionable insight for clients? Those types of questions help me to stay focused, and keep the team focused on delivering results.

Is there a mentor that helped you develop that strategy?

Kristi Wilts, the head of analytics operations for the U.S, is an operations superstar and a seriously brilliant woman. While I was an early proponent of investing in automation for cat modeling and had a strong vision of what a future cat modeling group would look like, I needed a partner like Kristi to figure out how we would actually accomplish it. She pushed me to spend more time in the initial phases of the project to build consensus within the team, and collect the data needed to set strong KPIs. She taught me that with the right focus and passion I can get the buy-in needed, even from people or teams who I thought would never get there.



Elizabeth Henderson
Senior Managing Director, Aon

Age: 39

Direct reports: 25

Transformation specialist

Kelley Kage has become a star at Liberty Mutual for her ability to manage big, complex digitalization projects. As director for third party services in global retail markets, she led an application integration initiative to streamline the combined Safeco and Liberty Mutual systems. Now in corporate functions technology — specifically, legal technology, she is in the midst of transitioning the group to Agile methodology, and has already delivered minimum-viable products leveraging data to power machine learning. She was nominated by group CIO Shelia Anderson.

How do you stay focused while in the midst of major projects?

Remaining calm and having a vision for myself and my team has been critical. There are fire drills every day, but being able to never lose sight of the important work that will really drive change in the organization is important. In one case, a vocal leader in the organization had drafted a solution, was soliciting feedback, and was ready to hit the ground running on implementation. We sat down, I expressed my concerns, and made some recommendations for how to proceed to enhance the value delivered. Initially this other leader was very resistant. By remaining calm, and communicating clearly the reasoning behind my recommendation, we were able to come together and develop a better solution that improved process, enhanced data quality, and simplified the way users thought about their work.

What do you like about working in insurance?

You can work for one company for 20 years, but it feels like you have worked at 5 different ones because when you move around the organization, the business is different, the customers are different — really, everything is different. Also, so many areas of insurance are ripe for technology enhancement, and I believe that the Insurance industry is on the cusp of major disruption. Insurance is a complex product, but innovation comes from taking something complex and making it awesomely easy.

Kelley Kage
Senior Director,
Legal Technology,
Liberty Mutual
Age: 35
Direct reports: 10

Grace under pressure

Julie Yang's official title is product manager, but according to Jackie Morales, the chief insurance officer of Bestow who nominated her, a better description is CEO — of the company's enrollment platform, at least. Yang is described as a tenacious, optimistic presence in the company who has delivered the digital enrollment platform on which the company's value proposition is placed. Since she joined Bestow and began guiding the project, the company's daily sales are up 40%.

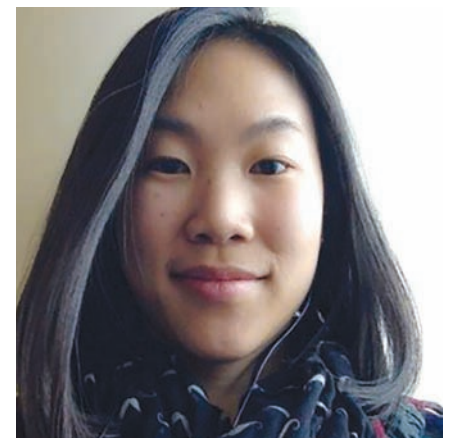
Can you talk about a crisis that helped you become a better leader?

I've certainly had my fair share of "learning curve" experiences. I inherited expectations and timelines, or sometimes lack thereof, on which I never signed off but could not change given the nature of the work and who I was at that point in time. The team was several months late in delivering a product, but we were finally about to launch, when I found a critical feature had not been built out. Through that period, I learned to ask for time, to voice what

might be unpopular opinions, and most importantly, to walk around people or situations instead of letting them impede my progress. Resilience, to me, in other words is a mantra to "be better." Identifying what went wrong and chasing down what can go better. It is not letting my ceiling become lower for fear of failing; it is cresting with the rising tide to experience the joy of ever greater success.

How have leaders in the company helped encourage you through rough times?

Jackie Morales, who nominated me for this award, dropped handwritten cards for me and the engineering manager who was running the launch of the new product with me. At that time, we were both surprised because we thought we had simply been doing our jobs, but this gesture made us take stock of what we were doing and feel recognized for our contributions. I realized that, at least for me, it had sometimes felt like a very lonely mental journey, and that echo from the dark was exactly what I needed to make it easier.



Julie Yang
Product Manager, Bestow
Age: 32

STRATEGIES

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Core systems' rising tide

In the digital age, a new wave of PAS purchases are helping insurers remain competitive.

By Elliot Kass

Policy administration and other core systems remain a top priority for most insurance carriers. This is especially true for the property and casualty segment of the industry, where a new Strategy Meets Action study finds that 87 percent of insurers are currently engaged in a core system modernization effort.

"Insurers are still buying core systems," says report author Karen Furtado, an SMA partner. "There had been some talk of a pullback, but demand has been resurging."

Following several years of declining sales, SMA determined that a new wave of buying began in 2017, when core system purchases rose by 13 percent. The upswell continued in 2018, when sales rose another 11 percent to a total of 114 new system purchases, compared with 103 systems the year before.

Of these, insurers are buying suites more commonly than separate components and two out of three of the core systems sold last year included some combination of policy admin, billing and claims. Purchases of suites reached a five-year high and represented nearly half (48 percent) of all new core system sales.

As for sales of individual core system components, policy admin systems continue to dominate, accounting for more than one out of five (22 percent) of all 2018 core system purchases, and 85 percent of all core system sales included policy admin as either a standalone system or as part of a package with one or more additional components. Outside of full suites, the most common combination was policy admin and billing. Insurers frequently bought these two components together to support a new product rollout or new line of business, and the pairing represented 15 percent of all core system sales.

Continued on page A8

How Technological Self-Sufficiency Can Equate to Success (Even Survival) Amid Industry Disruption



By Liza Smith, Senior Vice President
Sales, Marketing & Consulting, OneShield Software.

The business of selling insurance is changing. It was generally understood that “insurance was bought, not sold” so insurers could focus on investing in predictive analytics and modelling of risks to protect their profitability. Now, insurers must compete with two disruptive forces impacting their future; emerging consumers that want self-service options and the start-up insurers that believe they can provide that experience – much quicker, faster and cheaper with modern technology.

As highlighted in the 2019 Insurance Outlook by Deloitte Center for Financial Services, 90% of consumers would prefer to self-manage policies through mobile devices, web portals and other digital channels.

Insurers that have self-sufficiency with their technology platforms to evolve as the market dictates will fare better amidst the disruption. However, what if one of the most important cornerstones of the business — your core Policy Administration System (PAS) — hindered, slowed or blocked your technical capability to respond to consumer demands? Limiting your organization the ability to quickly address business needs such as; increased personalization, flexibility of offerings, real-time pricing changes, consumer-activated insurance, and other product innovations.

Technological Self-Sufficiency Matters

Frankly speaking, if you don’t have or quickly acquire a PAS platform that allows you make quicker decisions, open up new opportunities and provide self-service customer experiences, you are likely in for a rough ride in trying to compete with these emerging competitive threats.

Ultimately, technological self-sufficiency is about being able to extend your PAS platform and giving your business the capability to master the complexities of unfolding insurance trends. According to SMA Research’s 2019 Top Predictions for Insurance, current and future market success for domestic and global insurers will depend on an organization’s ability to meet what they call an “Agile Mandate” — a “collaborative mindset” combining “the rich expertise of incumbent technology with the speed and agility associated with InsureTechs.”

Future success will hinge to some degree on an insurer’s ability to make bold and rapid changes in response to fast-emerging market opportunities.

Vivek Gujral, OneShield Co-Founder & Chief Technology Officer

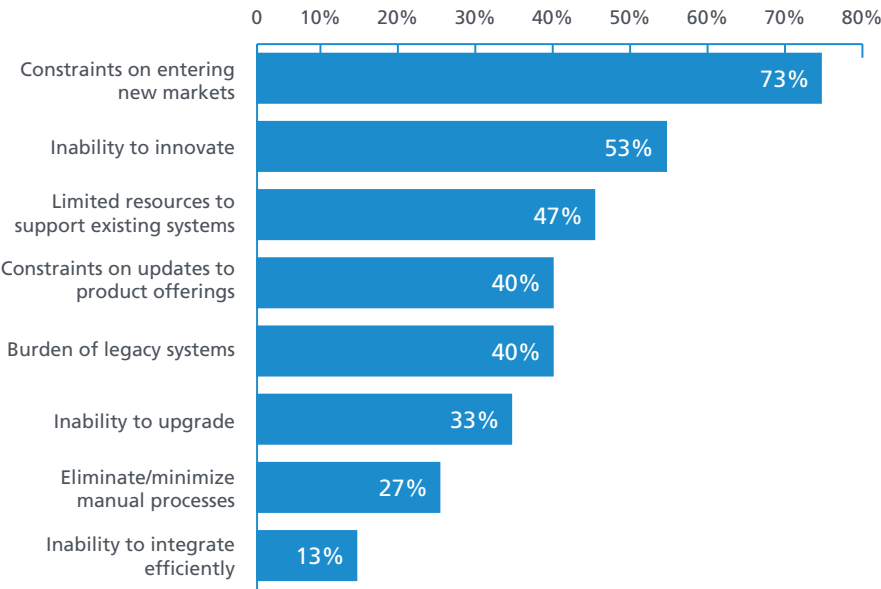
In other words, the market will demand the incubation of new products and services to be done aggressively - greatly condensing the time from innovation to deployment.

So, how do you go about achieving PAS self-sufficiency?

First, Say Goodbye to Legacy Systems

In the current complex insurance marketplace, repairing, upgrading or replacing a core system is a monumental undertaking. Yes, it’s easy for technology leadership to be lured into solutions that just tweak or “update” existing systems. The problem is most legacy systems are hard-coded and the effort needed to revamp older core systems is not just prohibitive, but often does not address the actual business need in full.

Challenges Solved with OneShield’s Technology



Existing OneShield Customer Survey - TechValidate Fall 2018

As 47% of those surveyed reported, the resources needed to support legacy systems are usually not in-house. Third-party vendors or consultants must be hired, sometimes even for routine changes and maintenance. Marketplace essentials such as improving web portals, adding new rules to improve risk analysis, and leveraging geo-coding data and models in pricing algorithms, become almost unachievable. Legacy maintenance expertise is dwindling. Employees and consultants with experience on legacy systems are retiring. It’s fair to say the task of recruiting and retaining members of the new workforce to work on these systems is almost herculean.

Next, Choose a Modern, Scalable & Proven Platform

The first step on the road to transformation is to have a thorough understanding of what comprises a modern core PAS and how it differs from a legacy system. Here are five key differences:

1. **Customer-Focused, Not Policy-Focused:** A legacy PAS tends to be policy-centric, giving you a siloed view of customers based on each policy they hold. A modern PAS is customer-centric, giving insurers and agents the capability to see customer relationships “holistically” at-a-glance, dramatically enhancing customer experience.
2. **Multiple Systems vs. One Platform:** Legacy core systems are often a multitude of applications under one umbrella. Some operate on different tech platforms or are coded with different computer languages and runtime libraries — all integrated with complex code on the backend. Future incompatibilities or integration troubles are highly likely. With a single platform, there’s no more jumping among applications or leveraging multiple tools on different systems.
3. **Third-Party Coding vs. User Configuration:** The hallmark of a system that continues to evolve with your business is one that is user configuration-based — meaning, from the insurer’s viewpoint, there is no complex coding required. Authorized business or technology users can customize workflows, processes, user interfaces, rates, product rules and other aspects of the PAS without needing an outside vendor or IT department. A legacy system simply can’t do that.
4. **Upgrade Limitations:** Whether developed in-house or by vendors, legacy core systems are often “upgraded” sporadically by inserting exception processes, a “wrapper” layer of new screens, or tacking on a new side system. The original core still remains creating legacy systems limitations, redundancies with wrappers and side systems, system overhead, and increasing complexity and cost with every new change.
5. **Services Architecture:** A key aspect of today’s leading core system platforms is microservices — reusable modules that business and technology users leverage or call upon to connect with third-party applications. Microservices expedite a transaction or perform a single task. They are deployed independently with narrow functionality. A microservice, for example, might create a rate, do account lookups, or produce a certificate of insurance. The obstacle for legacy systems is that microservices rely on a modern plug-and-play technology architecture, such as OneShield Software’s.

Still Not Convinced? Ask Yourself This...

In deciding whether it’s worth it to keep a legacy system alive, the most important question to consider is: **Do you anticipate your business will be the same 3, 5 or even 10 years from now?**

With the digitalization of insurance services underway, few insurers will maintain the same business model in the future. The disruptive growth of InsureTechs has demonstrated modern technology can deliver new savings and efficiencies outside old-school insurance business models. So, why maintain technology that only supports your business today?

As more businesses look to web portals and self-service options to empower customers, agents and third parties - we predict rapid growth in demand for the capability to integrate external and internal applications. OneShield continues to innovate to digitize the entire insurance value chain and address the rapid changes taking place in the industry today.

Vivek Gujral, OneShield Co-Founder & Chief Technology Officer

Is PAS Platform Transformation Worth It?

From a third-party survey of OneShield clients, 65% of respondents identified technological self-sufficiency as the most dominant advantage when it comes to Total Cost of Ownership (TCO) of a modern core system. The ability to rapidly make changes internally has represented significant savings in annual IT budgets.

With a new core PAS in place, clients were also asked, where do efficiencies most commonly arise? Respondents reported with the modern OneShield platform they improved efficiency in several areas, including **automation (64%); agility and responsiveness to change (43%); increased productivity (36%); and reduced error rates (21%)**.

Other benefits cited included:

- Delivering a unique and personalized customer experience;
- Engaging with customers where and when they want;
- Improved customer retention;
- Enhanced new business acquisition;
- Ability to handle new product mixes using OneShield’s Package Designer;
- Introduction of pay-as-you-go or just-in-time products.

PAS Transformations: Key Success Factors

Finally, what factor is most essential to a successful platform transformation? Not surprisingly, the quality of the vendor-client relationship is paramount in terms of the client support offered and the degree of partnership cultivated **(53%)**.

Working closely with insurers, modern solution vendors, such as OneShield and its Program Consulting Group, can help you reimagine the customer experience, not just for today but also for the future.



OneShield.com

Take Data Migration Off Your Modernization Critical Path



About the author

Chris has over 25 years of experience in the financial services and technology sectors. A respected veteran of software sales and strategic consulting, he has a proven track record in delivering enterprise analytic software services, big data solutions and advisory services.

When a company decides to implement a modern policy administration system, one of the biggest hurdles is moving critical data from the legacy to the new PAS quickly, accurately and securely. These are extremely large and complex projects with inherent risks to the existing business, and there is a prevailing view that they are difficult to complete and have a high degree of failure. Data migration is often seen as a big enough risk that companies delay their consolidation for fear of disabling the organization if the migration goes wrong.

In our experience, companies grapple with three data migration risks:

Fear of the unknown: When dealing with 30-year old systems there are likely to be a number of 'unknowns' that crop up when preparing for data migration. These systems rarely have up-to-date documentation, making it hard to fully understand what policies or product updates were implemented in the past—and there's usually no one to provide the information necessary for a successful migration.

Resource risk: Many assume that a large project will take their key staff away from the day-to-day running of the PAS environment for months. This may be true if the organization and vendor are using old-style methods which are too manual and labor-intensive.

Data risk: Many are afraid to lose data when migrating their existing blocks of business. They fear data corruption or loss, inability to properly cleanse old data or having to run parallel systems with old and new business blocks separated. If any of these fears became reality, the negative effects on the company could be profound.

What is needed is a modern solution that mitigates all these risks and ensures quick, effective and accurate migration. These solutions have three interlocking elements:

Vendor: The first step for a successful project is choosing the right vendor. In the life insurance industry this means finding a partner with long experience at completing data migrations TO and FROM all types of commercially available PAS. Familiarity with both legacy and modern PAS shortens the learning curve, speeds up the implementation timeframe and results in fewer surprises. An experienced vendor can assemble a small team of experts with in-depth industry knowledge, systems skills, and data migration know-

how. They will treat data migration as a business project and bring a methodology that eliminates the technical challenges.

Methodology: The old way of starting a project was to assemble a large team that spent a lot of time trying to anticipate all the potential risks, and planning contingencies for each. But this approach has proven to be inefficient. It delays the start of the migration for unacceptable amounts of time, which adds to the project cost while taking critical staff away from their core responsibilities for too long—creating operational risk. Plus, no matter how much time is spent planning, not every contingency can be anticipated. It is more efficient to apply an iterative methodology, which involves creating the best working model possible, iterating quickly, analyzing the results, adjusting, then repeating the process. Fast iteration and model evolution enable organizations to start quickly and zero-in on the best solution in a fraction of the time of traditional methods.

Tools: The modern approach uses tools that form a data conversion system that streamlines how you manage and transform files. These solutions allow to complete all the business transformation in one place inside the tool—unlike extract, transform and load (ETL) processes that perform transformations in many places, making them slow and hard to test. The best tools accelerate results by enabling early testing and easy error management. They can also read the requirements of the target system and automatically produce data definitions for use as inputs into the conversion system.

A data migration solution that integrates choosing the right vendor, using an iterative methodology and implementing the right toolset will ensure quick, affordable and accurate migration of data from the legacy system to the new PAS. This holistic approach reduces risk and ensures life insurers can begin to reap the rewards of modernization as quickly as possible.

An Equisoft company, UCT has over 25 years of experience migrating data for life insurers. We specialize in high-volume, complex projects that frequently involve multiple source and target systems. We have worked with over 100 companies on more than 200 projects, with 99.9% of the data successfully converted. Research shows that by using our approach over traditional methods, projects result in a 40% cost reduction and a 40% timeline reduction.

To learn more, go to: www.uctcorp.com or contact Chris Moroz | Director of Sales | (888) 989-3141 X341 | cmoroz@uctcorp.com.

Accelerate Innovation and Reduce Risk with a Modern SaaS Policy Admin System



About the author

Roger is Vice President, Insurance Advisory at Equisoft. He has over 25 years of experience in core systems transformation and business strategies on both the insurer and vendor side. Roger has a Business Administration degree and holds the Chartered Life Underwriter Designation (CLU) conferred by The American College.

Today, insurers are looking to enhance digital agent and customer experiences, increase speed-to-market for new products and respond quickly to market and regulatory changes. However, aging legacy systems often hold them back. The closed architecture and hard-coded nature of those older systems makes it difficult to update existing products or implement new ones without writing or modifying code. Many of them don't possess the needed business agility or API strategies required to support straight-thru-processing, common product definition across illustrations, eApp and policy administration, nor the ability to support real-time integration necessary for agent and customer online self-service portal transactions.

Modernization challenges for today's insurer

Challenged by the growing IT needs created by their legacy systems, insurers have difficulty managing both the software and hardware required. A frustrating problem when saddled with hardware that no longer meets their modern architectural design—and maintenance has little value to the core business. This issue is bigger than just the cost of replacing or upgrading equipment. It's also expensive and resource-intensive to employ and manage teams to support hardware and software on a 24/7 basis.

Legacy systems and security concerns

Aging legacy environments aren't just hard to support, they pose increasingly significant security risks for life insurance companies.

Fear of data breaches or data corruption, which are popping up in the news far too frequently—coupled with the introduction of privacy laws like GDPR or the California Consumer Privacy Act—make it a necessity for insurers to continually update everything from operating systems to application servers to security software.

It's almost impossible for an insurer running many different types of software to keep each of them up to date and secure as effectively as a third-party vendor who is focused on maintaining and updating their own software.

The solution: Modern SaaS based Policy Admin System

Today, the majority of insurers seeking new core systems are turning to rules-based applications that can be deployed using a cloud-based SaaS model. These newer PAS platforms have flexible technical architectures and API strategies needed to support business agility. A SaaS model has the advantage of being hosted, managed and kept up-to-date by the vendor—meaning the insurance company no longer has to worry about maintaining hardware or software upgrades or security updates. Insurers are able to control cost and take advantage of the capabilities of world-class cloud providers, leaving them to focus on their core insurance business instead of software management.

Lower overall cost

The best SaaS solutions offer scalable pricing models, making them viable for insurers of all sizes. Performance, scalability, regulatory updates and software upgrade challenges are all managed through the SaaS model.

Faster implementation

SaaS models offer a fast track to new product launches or updates providing the agility and speed-to-market necessary to remain competitive. The need for core code changes is replaced by flexible configurable rules allowing insurers to drive their business forward instead of being driven by aging, rigid systems.

The acceleration of life and annuity providers replacing core systems will continue along with strong trend toward choosing a cloud-based, SaaS solution!

Equisoft has 25-years-experience working with life insurers to help them optimize their core platforms and deliver superior digital agent and customer experiences. Our turnkey cloud-based SaaS model includes flexible variable pricing and fully supported, production ready business processes.

To learn more, go to: www.equisoft.com or contact Roger Soppe | VP, Insurance Advisory | (319) 491-6045 | roger.soppe@equisoft.com.

Everyone's been 'Amazoned.' We all have this general expectation now about what it's like to buy online. No one wants to be the company that you have to call into.

Missy Goldberg,
Deloitte

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Smaller insurers scramble to upgrade

While insurers of all sizes remain focused on upgrading their policy admin features, this is especially true for smaller carriers with under \$500 million in premium.

"Small insurers is where we see the most activity right now," says Martina Conlon, an executive vice president with the industry researcher and consultancy Novarica. "If they are going to continue to compete in today's digitalized marketplace, they need to enhance their policy admin functions."

For some, she says, accelerated speed-to-market is their chief concern and putting in a modern admin system allows them to rollout new products in just weeks—as opposed to months or years.

For others, it's the ability to deploy digital capabilities and improve their customers' experience.

"Carriers... have to cope with forces from outside the industry that are profoundly shaping and influencing customer expectations," explain the authors of a recent PwC report on the industry's digital transformation. "When customers interact with an insurer, their benchmark isn't one carrier versus another, it's their experience with online retailers and service providers [like] video streamers. This has resulted in customers expecting a much faster, transparent and more intuitive experience." But smaller P&C insurers also face other demands that are driving them to adopt new policy systems. These include:

- The need to support new lines of business or accommodate new market requirements, such as micro-rating and direct-to-consumer policies.
- Pressure to reduce the costs of system of ownership—especially those associated with maintaining legacy platforms. Many smaller carriers spend more than three-fourths of their IT budget on these aging systems, according to Novarica's Conlon, leaving little left over for new product development.
- The ability to tailor and modify a PAS without resorting to extensive code customization, which is typically both costly and time consuming. Conlon notes that the latest generation of policy systems include configuration tools that drastically reduce the need for custom coding.

- Greater access to third-party data, which insurers need to feed their business intelligence and analytics applications in order to set more competitive rates and reduce fraudulent claims.
- More seamless integration with third-party underwriting applications for risk scoring and fraud detection. This is becoming more important, Conlon says, as insurers automate more of their claims and application approval processes.

Another important consideration is the fierce competition to attract and retain top producers, who are unwilling to put up with the limitations of older systems. This holds true for front- and back-office employees and IT staff as well, many of whom have neither the skills nor the interest to work with computers that are more than 30-years old.

And crucially, many smaller insurers need to upgrade their PAS if they want to offer policies online, directly to the consumer.

"The rise of online self-service in many other industries has raised customer expectations," Conlon observes, "even for lines of business that seemed immune to this trend a few short years ago. Smaller carriers can't meet these expectations, if they are still saddled with an inflexible legacy policy system."

"Everyone's been 'Amazoned,'" agrees Missy Goldberg, a managing director with Deloitte's core systems transformation group. "We all have this general expectation now about what it's like to buy online. No one wants to be the company that you have to call into."

Large insurers deploy more than one PAS

Small insurers aren't the only ones being buffeted by these forces. SMA's Furtado reports that more large insurers with over \$1 billion in premiums purchased new core systems in 2018 than in any of the previous three years. A major reason for this surge is that larger insurers are increasingly making use of multiple PAS and other systems to launch new products and lines of business. Due to the complexity of their business models, she says, many of these companies require different capabilities for their personal, commercial and specialty lines, inducing them to deploy separate core systems for each.

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Cloud cover for the core

Seeking to control costs and quickly launch new lines of business, carriers are flocking to hosted services

By Elliot M. Kass

The cloud is taking the core systems market by storm.

“Cloud buying is crazy!” exclaims Karen Furtado, a partner at the insurance industry advisory Strategy Meets Action. She notes that in 2018 three out of four new core system projects were planned for the cloud, making it a watershed year for the once scorned technology.

“This is a huge transformation,” Furtado emphatically states. “In 2007, the insurance industry didn’t even know what the cloud was, and when they first learned about it their reaction was ‘Oh, dear Lord no. That’s never going to happen.’ Well, now it has.”

“Cloud has become the insurance industry’s preferred platform,” agrees Martina Conlon, an executive vice president with the industry researcher and consultancy Novarica. “Even when they choose to build their core functionality themselves, insurers are building it on a cloud platform. You occasionally still see an on-premise solution, but more and more carriers are opting for the cloud.”

The new core systems being lofted to computing’s heavens are typically for policy administration or billing—or a combination of the two. And for insurers deploying full suites, the cloud adoption rate is even higher: An SMA research report notes that 83 percent of the suites purchased in 2018 will be deployed in the cloud.

During the past five years, the smallest insurers with \$500 million DWP or less became the cloud’s biggest users. They were joined by MGAs, who also enthusiastically embraced the hosted-systems model. The big news is that in 2018 these companies were joined by many of the industry’s largest players, with nine out of ten of their new core systems deployed in the cloud.

But while cost is always a consideration, Furtado says the new cloud deployments are not primarily about shaving expenses, which given development costs and hosting fees can be just as high as they are for on-premise data centers. “The real reason insurers are flocking to the cloud,” she explains, “is to accelerate their time to market.”

The cloud’s vaunted scalability is what makes this possible, by allowing insurers who are rolling out a new product or entering a new market to expand or



collapse their computing infrastructure as their business requires.

Single tenant versus SaaS

Among all insurers, two very different types of cloud deployments are taking place. The first is single-tenant clouds that host data from just one client. The second is based on the Software-as-a-Service or SaaS model, which hosts multiple clients’ data in the same cloud environment. While both approaches have their takers, as of now insurers have demonstrated a strong preference for single-tenant over SaaS.

That could change, however, and this time cost control is very much the reason. “A majority of insurers are now willing to consider placing their core policy systems in the cloud via the SaaS model,” Conlon reports. “Carriers are concerned about the cost of their core system upgrades, and SaaS can help mitigate these costs.”

Furtado agrees that SaaS is gaining traction, but puts a slightly different spin on it. “Everyone is trying to get to the point where software upgrades are less painful,” she says, “and that’s the major advantage of a SaaS-based approach.”

However they get there, the number of core system projects that take place in the cloud will continue to rise.

“The cloud will play an even greater role as we move further into the digital era,” Furtado predicts. “Every important new technology, from AI to 5G to microservices, depend on the cloud, and the accelerating shift of core systems to the cloud shows that insurers are keenly aware of this.”

Three of these new technologies that are liable to play a big role in core systems going forward are so-called ‘headless’ core systems, DXPs and microservices. A headless core system refers to using a commercially available suite or

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Liza Smith

Senior Vice
President,
Global Sales,
Marketing
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OneShield
Software

What's driving all the Core upgrades that are taking place? How do the latest cloud-based systems help insurers remain competitive?

One would hope innovation is the motivating reason to take an upgrade. Especially if your core system provider has streamlined the process, to lessen the time and cost to take major upgrades. At OneShield, we continue to make significant investments to create a “push” core upgrade path. We aren't there yet, but we are striving closer to that goal, ensuring availability of the latest functionality is at hand, when needed.

Cloud-based systems provide lower infrastructure costs, ability to scale capacity up and down and an eco-system of technology partners to extend cloud offerings in areas like security and availability. They provide implementation path flexibility resulting in dramatic speed to market. Once viewed as bottlenecks, now procurement of infrastructure, licenses, and system setup are typically automated. These advantages coupled with continuous integration and infrastructure as code, are differentiators for the modern insurer.

Why has the ability to provide customer self-service and an omni-channel experience become so pivotal for P&C insurers?

Customer experience expectations are already established by how we shop, how we bank and even how we manage our connected home. We all want the ability to gather information, purchase and self-service almost all aspects of our lives on our mobile devices, anytime and anywhere. As insurance is frequently seen as a commodity by consumers, there is a rising expectation of having the same engagement experience in the interactions with insurance companies. This emphasis on self-service will not only require a new way of thinking about technology platforms, but also a new way of thinking as an organization about the customer engagement model.

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Cloud cover for the core

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component and then putting the carrier's own user interface on top of it in order speed deployment time and provide a unique customer experience.

A digital experience platform or DXP gives carriers a relatively simple way to digitize their business operations, deliver multi-channel capabilities and gather actionable customer data. Conlon says that some insurers are already using DXPs to develop interfaces for headless systems and provide customer self-service portals.

Microservices refer to a software development architecture that offers insurers the flexibility and speed of execution they need to succeed in the digital era. The approach uses pre-fabricated ‘services,’ or blocks of software code, allowing carriers to rapidly introduce and update new offerings based on market demand.

For most insurers, Conlon projects that it will be five to ten years before microservices and support for headless systems become de rigueur elements of their core systems. But for those carriers at the forefront of the adoption curve, these technologies have the potential to keep them heads above clouds ahead of their competitors.



BUSINESS-DRIVEN INNOVATION



Roger Soppe

CLU VP,
Insurance
Advisory

What's driving all the Core upgrades that are taking place? How do the latest cloud-based systems help insurers remain competitive?

The acceleration of life and annuity insurers updating or replacing their core policy admin platform over the past several years is being driven by the need to remain competitive and relevant to the changing needs of the Customer. This includes adoption of straight-through processing, increased speed-to-market for new products and faster product updates in response to an evolving regulatory environment. Customer experience has become the new battleground. Newer cloud-based SaaS platforms provide insurers with predictable cost structures and scalability that allow them to focus on their core insurance business and the customer they service.

The greater efficiencies provided by straight-through-processing is often presented as the insurance industry's holy grail. Are the latest wave of Core enhancements bringing insurers closer to this goal?

With the business agility and modern API capabilities of today's newer policy admin platforms, straight-through processing is becoming a reality. Shared business rules and product definitions across illustration, e-app, policy admin and online agent and customer real-time transactions are changing the landscape for insurers. Simplified products and instant decision at time of application are enabling insurers to meet the growing expectations of today's insurance buyer.

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“Cloud has become the insurance industry’s preferred platform.”

Martina Conlon,
Novarica

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Multiple PAS deployments among larger insurers is a significant trend, confirms Goldberg. “They’re sitting there saying, ‘I want to be nimble. I want market agility. I’ve got a new cyber-risk product, and I would rather start fresh,’” in order to get that product—whatever it is—out to the market quickly.

But it’s not just the number of core systems that’s on the rise. Another measure of the market’s robustness is the growing number of insurers who are buying these systems. In 2018, a total of 93 insurers, both large and small, purchased new core systems, compared to only 69 carriers in 2017. In other words, notes Furtado, in one year’s time the number of insurers purchasing core systems has jumped 35 percent.

Core system sales are also taking off among managing general agents, who are emerging as a small but significant market segment that accounts for 14 percent of the systems purchased last year. Overwhelmingly, MGAs are focused on policy admin functions, and policy components were part of every system purchased by MGAs in 2018, whether it was a suite or a standalone or some combination of components.

‘Best fit by line’

For the fourth year in a row, the majority of the systems purchased by insurers (53 percent) were for their commercial lines, as they took what Furtado terms a “best-fit-by-line” approach. These new systems are frequently deployed to support program business, a P&C segment that has been growing at a rapid clip.

At the same time, system purchases to support personal lines also climbed by a healthy 25 percent. This is the market segment where carriers have traditionally tried out new technologies, and the growing number of core system initiatives reflects the pressure insurers are feeling to provide omnichannel capabilities and a fully digital experience for their customer base.

“Customers increasingly expect insurers to know something about them at the first point of contact—before they’ve had to fill out a fifty-question application,” states PwC’s digital transformation report. “This has put considerable pressure on carriers to make the buying experience less cumbersome, easier to understand and much quicker. Building a prototype, testing it in focus groups, refining it, testing it again and then finally releasing it just isn’t feasible anymore.”

Moreover, “Digital transformation isn’t a start-stop effort. To succeed,” the PwC authors maintain, “it has to be a continuous program and that’s a very different way of thinking for most carriers. In the past, plans for specific initiatives rarely exceeded a three-year period. But business strategies in the digital age [can] go on for much longer.”

Yet while carriers immerse themselves in these programs, their proliferation also increases the odds that something will eventually go wrong.

“Like any big, multiyear IT project, a core system initiative can lose steam,” admits Deloitte’s Goldberg. “Executives change. Priorities change. You complete your deployment for one part of your business but not the others—so you still can’t retire your legacy system. That’s always a hazard—not having the staying power to see a project all the way through.”

For insurers who are in the midst of it, Goldberg continues, “Core transformation can feel really expensive and hard. But those who have gotten to the other side are grabbing new market share and realizing increased profitability. The promise is real,” she adds. “These projects really can transform your business.”



PRODUCED BY



Five questions: Mojgan Lefebvre

The longtime member of the Women in Insurance Leadership advisory board, and 2017 recipient of the WIL honor herself, moved from Liberty Mutual to Travelers in late 2018. Here's some of her top priorities.

By Nathan Golia

It's been just about one year since Mojgan Lefebvre joined Travelers from Liberty Mutual, succeeding Madelyn Lankton in the CIO position. While CIO of the global specialty group at Liberty, Lefebvre gained a reputation for effectiveness in innovation and implementation of advanced digital capabilities, as well as championing women in technology and insurance.

In 2017, she was honored as one of Digital Insurance's Women in Insurance Leadership. Now EVP and chief technology and operations officer, she spoke to DI about her plans for her new role in an interview late this summer. An edited version follows.

Digital Insurance: Why did you feel it was time to take on a new challenge in your career?

Mojgan Lefebvre: Travelers has an amazing reputation in the world of insurance; it's recognized as a leader in underwriting with a history of strong performance. In learning more about the organization through the interview process, I found out the company has a robust strategy in place to address the forces of change and disruption that's going on in the world – from the customer, agent and broker expectations of a seamless digital experience to the impact of the explosion of data and new technologies.

Learning that Travelers' focus on innovation includes customer experience, risk expertise, and efficiency and effectiveness, I realized that not only is the company focused on performance, it is also focused on transformation; and technology and data would play a critical role in this transformation. These are all the reasons I couldn't pass up the opportunity.

DI: What are some of the strategies that you'll be taking on to meet that challenge?

ML: We're a company that's been around over 160 years, and, similar to other established

companies, we have built many IT solutions during that time. The way IT was built and worked in the past is very different than the way it needs to be leveraged today to create the types of experiences our customers, agents, brokers and employees expect from us. In today's world, technology enables everything, not only the back office, but also all customer and front-end interactions. We are therefore focused on continuing to modernize our technology platforms from policy management to customer relationship management, evolving the way we work to be more agile, going from project focus to product focus, and going to an engineering mindset, where instead of translating requirements into code, we have engineers who work hand-in-hand with the business to create solutions based on business outcomes. And we're leveraging this to inform how we interact with our customers, agents, brokers and employees to create frictionless digital experiences.

DI: How do you organize and focus the company toward that goal in a way that both keeps competitiveness and service levels high for the existing market and prepares for the future?

ML: We talk about everything along two axes: perform and transform. We know that our day-to-day operations and the stability and security of our existing solutions are the foundation of what we do. But we also know that, to move the company forward, we have to think differently and use innovative approaches. Our multi-functional teams are organized around business outcomes that are aligned to our business strategies, and the teams' success is measured on those outcomes. We stay close to emerging technologies, and through customer journeys and design thinking we are bringing the necessary visibility into ensuring that we're building for the future.

DI: How does this change the way you look at hiring and recruiting?



Mojgan Lefebvre, Travelers

ML: We continue to build and expand our engineering capabilities. Knowing that we're competing with Amazon, Google, and startups for the same talent from software engineers to data scientists and cyber experts. We're therefore putting a huge emphasis both on upskilling, reskilling, and recruiting and building our engineering staff.

DI: How will you continue your work advocating for women in tech and in insurance at Travelers?

ML: I'm staying active with the Grace Hopper organization, as well as Girls Who Code. I also sponsor our Women in Technology and Operations group, a division of one of our company's Diversity Networks. We've done hackathons with local colleges, brought learning programs like Python 101 to the enterprise, and work with local schools to encourage young girls to join STEM programs. We're working on a lot of new cool ideas. **DI**

Lead with purpose

Women everywhere are supporting each other like never before, creating an unstoppable force inside and outside the world of business.

Protiviti is proud to support and celebrate the Women in Insurance Leadership, who inspire us all to pay it forward. Because when women succeed together, we all face the future with confidence.



WIL Favorites

All work and no play doesn't make a great leader! Here's how some of our WIL honorees unwind.



Favorite travel destination: The Central California coast
"For the wine and the beach."

–Sherry Huang



Favorite travel destination: Puerto Rico
"My husband and I were married there, destination wedding! And now we share that special place with our 3 boys each year when we vacation."

–Heather Cavallero (NEXT)



Favorite family activity: Sports
"I'm a big sports watcher and my three boys are really into sports. For spring break we'll be going to New York to watch the Sweet 16 and Elite 8 basketball games."

–Melanie Kolp



Favorite movie: Free Solo
"I watched in on the plane ride back from photo shoot and it's really resonating with me. It's the determination and focus and unrelenting commitment to a passion. I don't think I'm going to hang off a ledge and potentially kill myself with one false step, but it's amazing to see someone living life so fearlessly."

–Stephanie Lloyd

Insurtech also offers cultural lessons

The story of befriending an insurtech leader and learning how their company's culture creates happy, fulfilled employees illustrates how transformation is about more than just technology and new business models.

By Marissa Buckley

I recently had an opportunity to meet with Vault Insurance, an exciting insurtech. I serve on the advisory board of Women in Insurance Leadership, and we needed a C-level executive who could present to nearly 2,000 insurance executive attendees. Oh, where to begin?

I've been connecting with insurance executives in LinkedIn for quite awhile, so I decided to start there. This quest ended up being a great refresher for me, bringing up folks in my search results that I hadn't heard from since we first met. If you haven't perused your network in LinkedIn for awhile, I highly recommend it. While you're there, say "hello" to a few folks and make people happy.

An individual that stood out to me was Stacy Warren, Co-Founder and Chief Sales & Customer Experience Officer of Vault Insurance. Everything I read about her told me how much she valued employees. I learned about one of her core beliefs--if your employees aren't happy, your customers won't be either. I like that! I contacted her and turns out, she grew up in my hometown, Ormond Beach, Florida, and used to live in the city where I now reside. It still confounds me how small this billion-dollar industry remains.

Stacy spoke at Dig | In earlier this year and I had seen the session. She did a fantastic job and was not only just the right amount of confident and an exceptional presenter, she was humble. That's the trait I admire the most: Her company offers high-value products to the affluent and she's a seasoned pro having climbed the ranks to become a senior executive at AIG.

Humble, the right amount of confidence, these aren't the first words that come to mind when you think of someone with this level of experience and success. Stacy doesn't fit the status quo and this type of rarity shows in the open, fun, authentic, and hard-working culture she's built at Vault. After meeting Stacy in person and spending some time with her at dinner, she invited me to visit her office in St. Petersburg. We're growing fast at Security First, and we are about to have the grand opening of our new

corporate headquarters — a major cultural moment. I certainly, and purposefully, feel the weight of how important it is that we leverage this transition and event to shape a very positive future for more than 400 of our employees. To say I was ecstatic to have the opportunity to step inside a start-up organization and learn how workplace design and benefits shape culture is a serious understatement.

Time to learn

I jumped in my car and headed to St. Pete. Here's what I found: Open floor spaces, candy, employee-designed conference rooms, the most adorable dogs, lots of high-fives. They're creative, inspired, flexible, supportive, authentic, and hugely successful. Every single one of their employees were welcoming, and, frankly, happy.

They also weren't perturbed with some of the mundane work. Why? Because they know they are part of building something special. They are a strong, tight-knit family that's fully supported, and the harder they work, the greater the perks!

Stacy interviews every employee and knows the traits of an individual that makes them a cultural fit, which I believe is at the core of the success this company has achieved already. She also knows how to get employees to reach peak performance by offering benefits that can only be earned. If employees score a 90% or above on a performance grid Stacy's designed, then they can work remotely two days each week. That's just one example of the flexibility and accountability this company offers employees. When you earn a benefit, it becomes a reward and encourages repeated behavior. Productivity at Vault Insurance remains high, because employees are truly happy.

About ten minutes into my tour, Stacy introduced me to Peter Piotrowski, Vault's Chief Claim Officer. Immediately upon meeting Peter, I could sense his passion for Vault and the concierge service they provide their customers. His eyes lit up when he talked with me about how they treat their customers, describing the story of

when they closed down a local jewelry store for a customer who was looking to replace a valuable piece of jewelry that was stolen from her home. Vault looks at every situation, and in that moment, decides the most fitting course of action. Imagine being part of creating solutions like that — solutions that are not only tailored to the customer, but also to the sentiment of the loss.

Stacy and Peter are not in corner offices. They are situated right alongside employees creating coaching moments and mentoring employees as they continue to build their company. Peter describes his approach on Vault's site as "creativity, flexibility, availability and willingness to assist." I'm guessing this is his true nature and he lives those touchstones.

As I walked back through the office exploring the conference rooms with Stacy, an employee challenged another employee and asked him "Can you get just this one side of the Rubik's cube done?" Each square on the side she was referencing was branded with the Vault logo. The employee responded, "One side? I'll finish the whole thing." About five minutes later, he was done and said — humbly — "it's just memorization."

It's no coincidence that each employee is smart, creative, flexible, fun, and humble. This is what strategic business growth looks like, and when you take your employees seriously, if they sit at the center of your decisions, you get to reap the rewards of building a successful organization that will slide into a market leadership position leaving competitors to wonder what happened. Thank you to everyone at Vault for extending such a warm welcome to a fellow insurance professional. Thank you, Stacy for accepting my LinkedIn connection and being open to leading the industry forward. I can't wait to see what you and everyone at Vault will do next. I'll be watching and cheering from Ormond Beach. **DI**

Marissa Buckley is VP of marketing and brand experience for Security First Insurance and was a Women In Insurance Leadership honoree in 2018.



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