

# Drive profitable growth in insurance through future-ready technology and operations

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# Agenda

- 01** Trends
- 02** Total Enterprise Reinvention
- 03** C-Suite Survey Findings
- 04** Insights & Perspectives
- 05** Audience Q&A

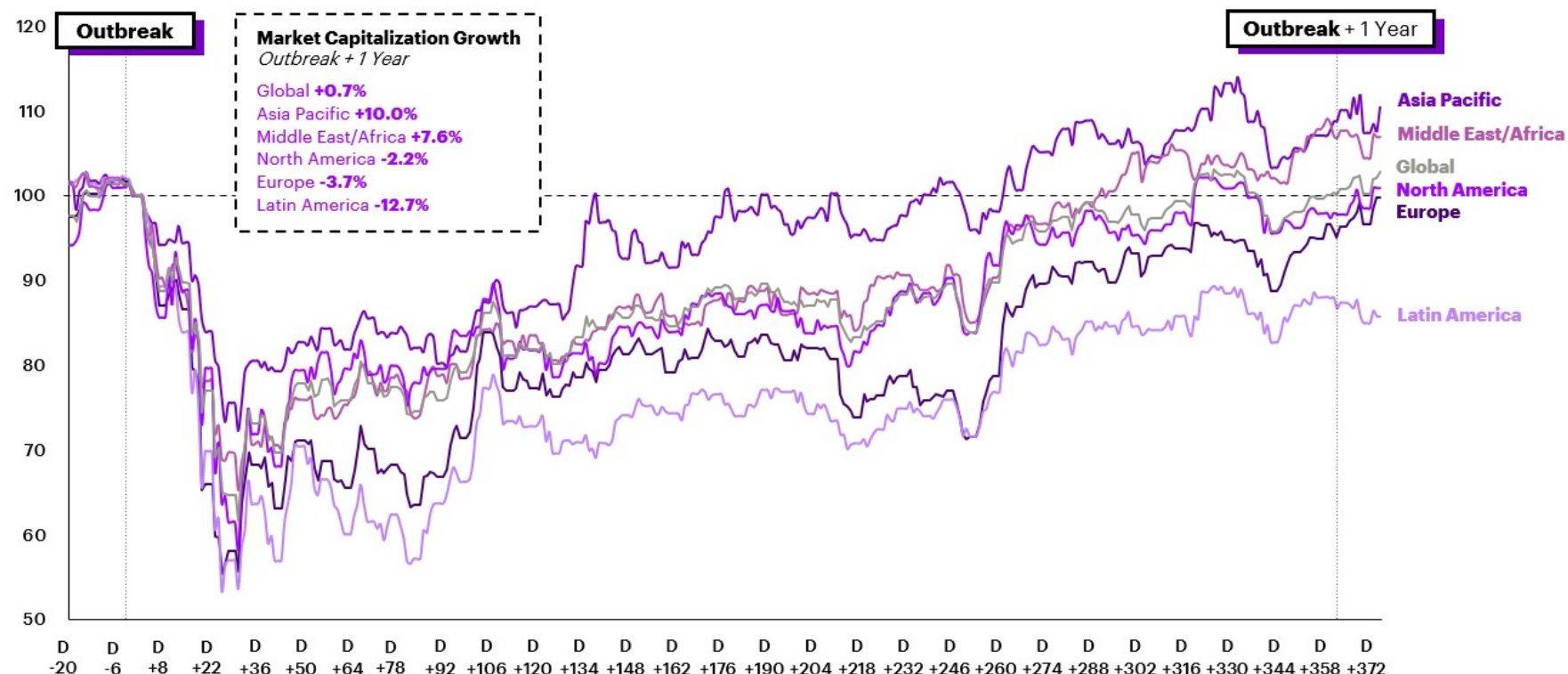


We are fundamentally optimistic about the future of the Insurance industry – a resilient industry that acts from a position of strength.

Growth options are expanding.

Carriers need to reinvent the enterprise to escape compressive disruption and retain a strategic position in the value chain.

# Insurance industry resilience: valuations rebounded post-pandemic



Days before and after outbreak. D0 = Feb. 21, 2020

Source: Accenture Research based on analysis of global publicly listed insurers (CapitalIQ), last date item as of March 3, 2021.



# Macroeconomic impact: near term health, long term performance

- ▼ **01** GDP declines reduce underlying risk exposures and real premium

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- ▼ **02** Supply Chain - Auto and Property lines facing step increase in cost of claims.

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- ▼ **03** Talent scarcity and aging workforce across the (insurance) industry

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- ▼ ▲ **04** Inflation increases OpEx, exacerbates claims cost & increases nominal premium

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- ▲ **05** Higher interest rates drive substantial increase in investment income

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- ▲ **06** Covid, weather and geopolitical instability create higher demand for risk protection

## Exhibit

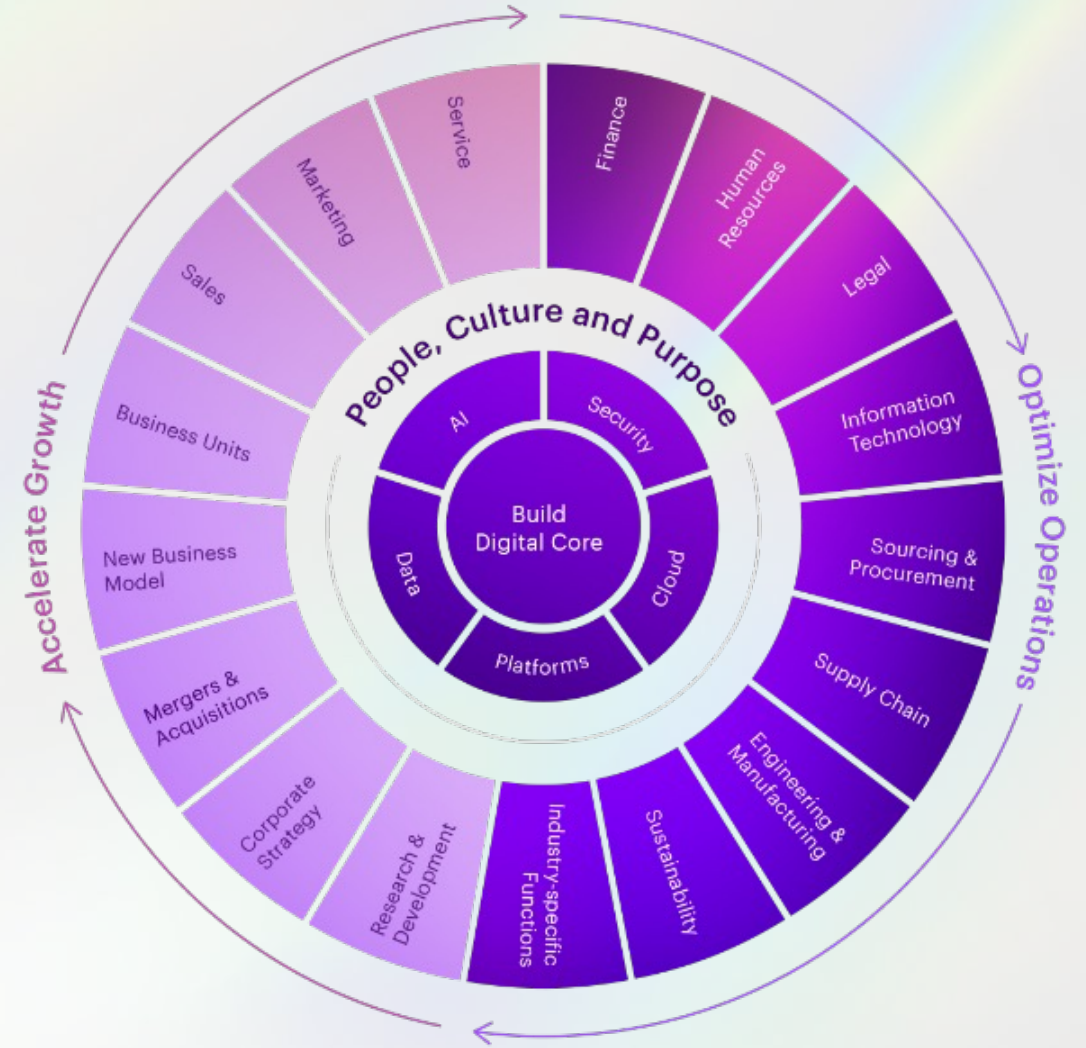
### Accelerate Reinvention Insurance Industry Briefing



## DEFINED:

**Total Enterprise Reinvention** is a deliberate strategy that aims to set a new performance frontier for companies and in most cases, the industries in which they operate. Centered around a strong digital core, it helps drive growth and optimize operations.

Total Enterprise Reinvention isn't a to do; it's a to be.



## Total Enterprise Reinvention exhibits 6 characteristics

Reinvention is the strategy.  
It is no longer an execution lever.

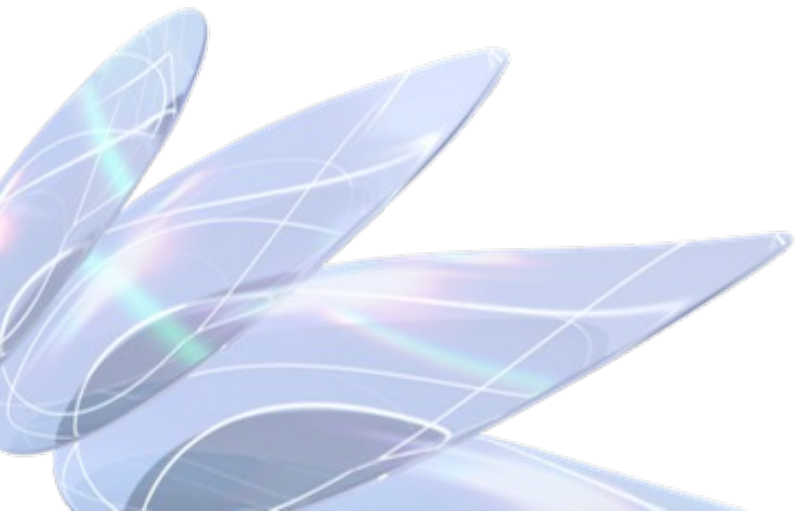
The digital core becomes a primary source of competitive advantage.  
It leverages the power of cloud, data and AI through an interoperable set of systems across the enterprise that allow for rapid development of new capabilities.

Reinvention goes beyond benchmarks, embracing the art of the possible.  
Technology and new ways of working create a new performance frontier.

Talent strategy and people impact are central to Reinvention, not an afterthought. These companies consider change management a core competency.

Reinvention is boundaryless and breaks down organizational silos. It tackles capabilities end-to-end.

Reinvention is continuous. It is no longer a time-defined one-off, but a capability continuously tapped by the organization.



# Next Performance Frontier Insurance (Sunrise View)

Seek and scale new growth

 Creating Ecosystem Marketplaces

Create and deliver winning customer experiences



Reinventing the Offering



Activating Brand Purpose  
(Unified Brand Experiences)

Power your people



Re-architecting the Workforce

Unlock value



Future-ready Technology & Ops



AI-Led UW Transformation



AI-Led Claims Transformation

Strategic Resilience & ESG

Digital Core

Digital Attacker Models

Accelerate digital-first model through partnerships



# Survey themes: Reinvention in Insurance

**01**

**Impetus for accelerated change?**

**02**

**Aspirations for impact?**

**03**

**Time to impact?**

**04**

**Barriers to change?**

**05**

**Success factors?**

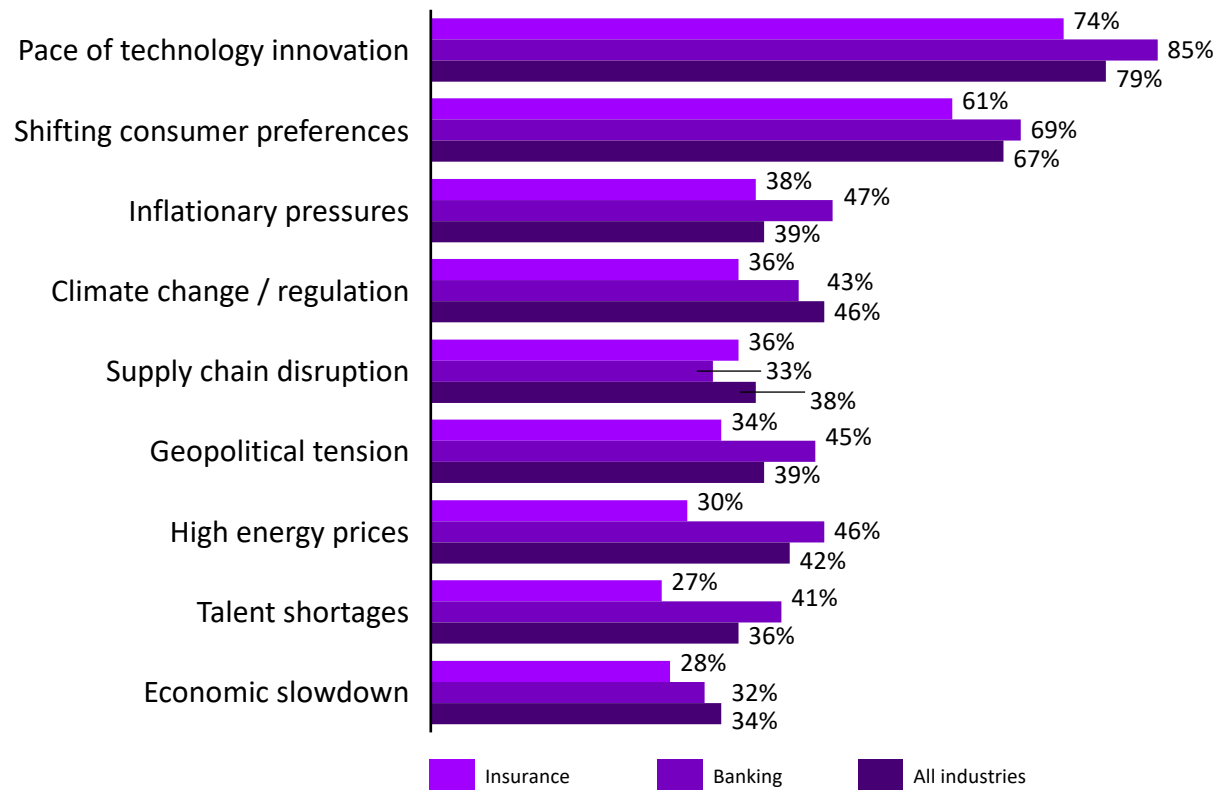




# External forces accelerating reinvention

“To what extent have the following external factors accelerated your organization’s reinvention strategy?”

% of respondents saying the force has accelerated their reinvention



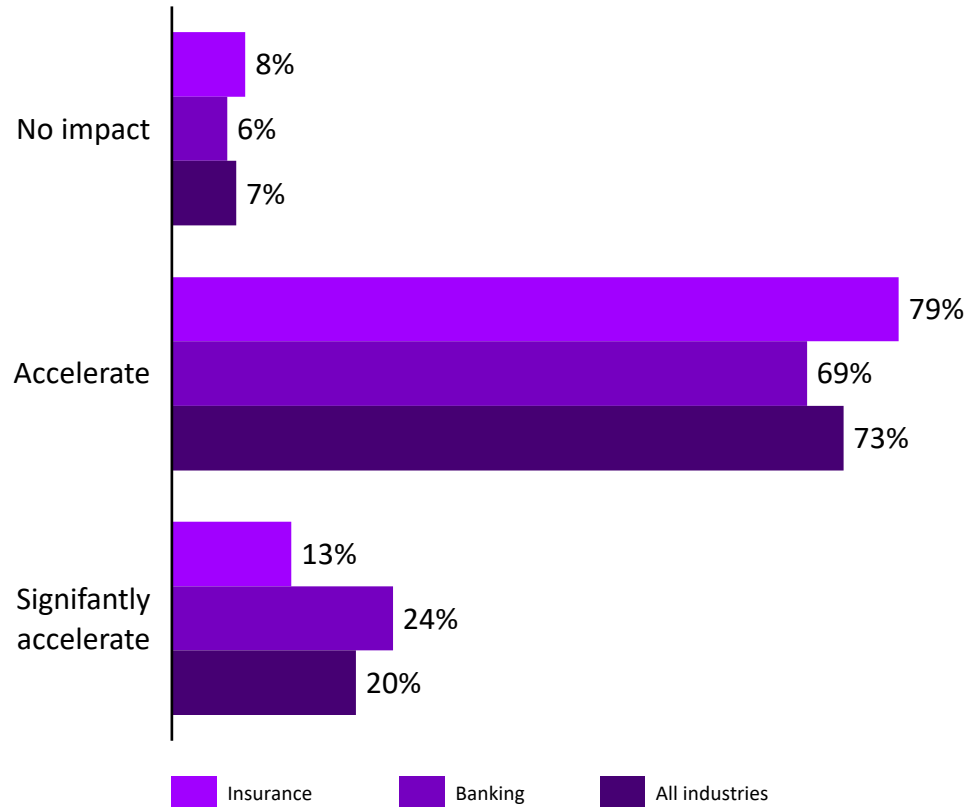
Insurance reports less acceleration of change based on external market forces ...



# Competition accelerating reinvention

“To what extent [was/is] the competition in your market a factor to accelerate your organization’s reinvention strategy and transformation program?”

% of respondents saying the force has accelerated their reinvention



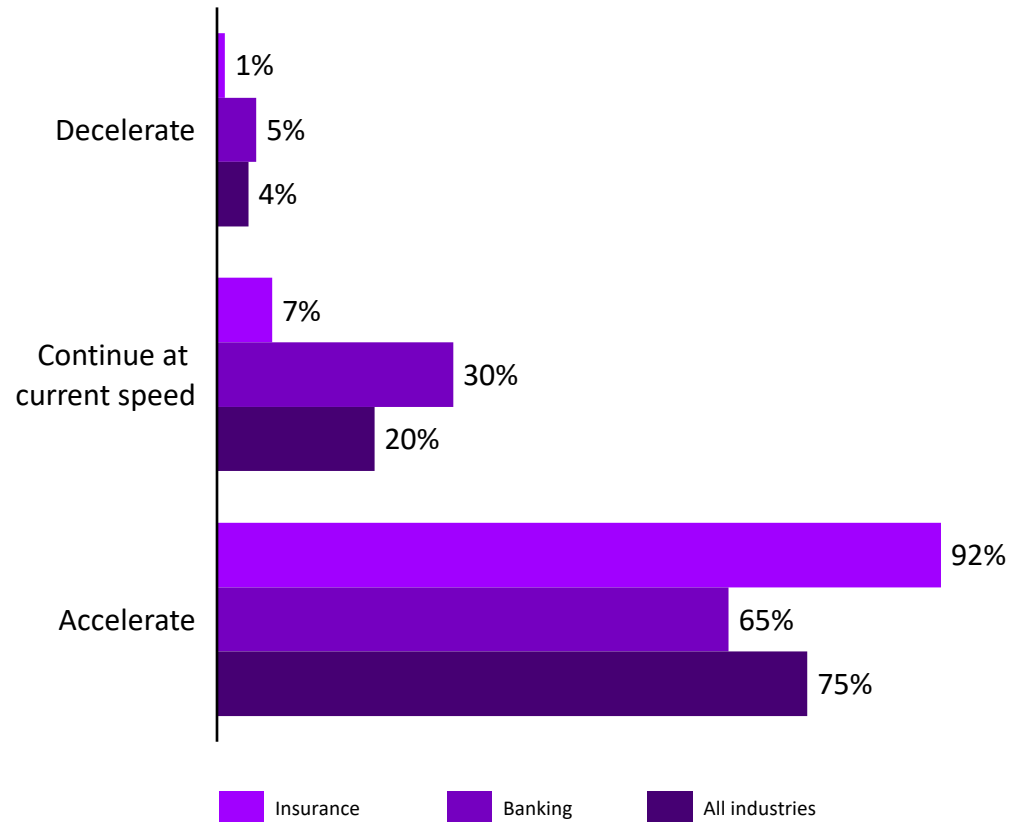
... and is marginally less motivated by competition.



# Recession expectations accelerating reinvention

“If there is a recession in your main markets in 2023, will your organization continue, accelerate, or decelerate its transformation program?”

% of respondents saying the force has accelerated their reinvention

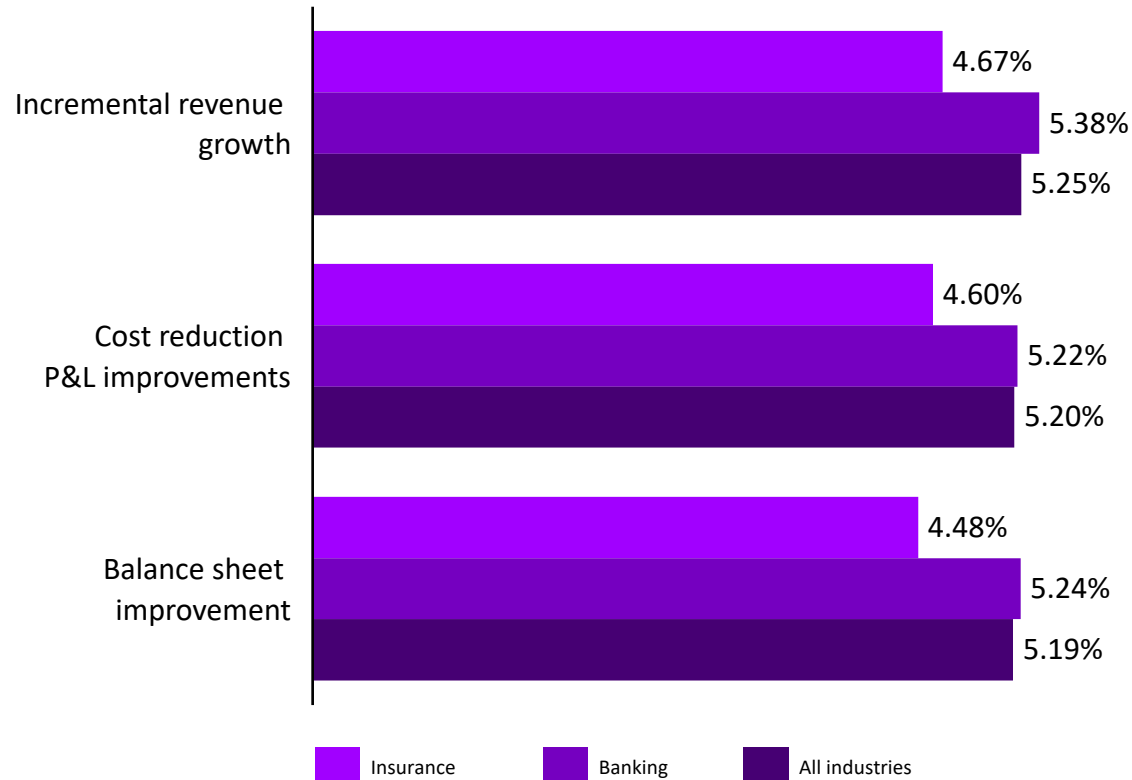


Waiting for Godot  
Insurers will accelerate *if* there is a recession in 2023  
*(asked as of Nov '22)*

# Reinvention impact

“Based on [completed/current] progress, what financial value do you expect to realize from your reinvention strategy and transformation program against the following measures”

(mean value, based on percentage point improvement relative to when you started your reinvention strategy and transformation program)?



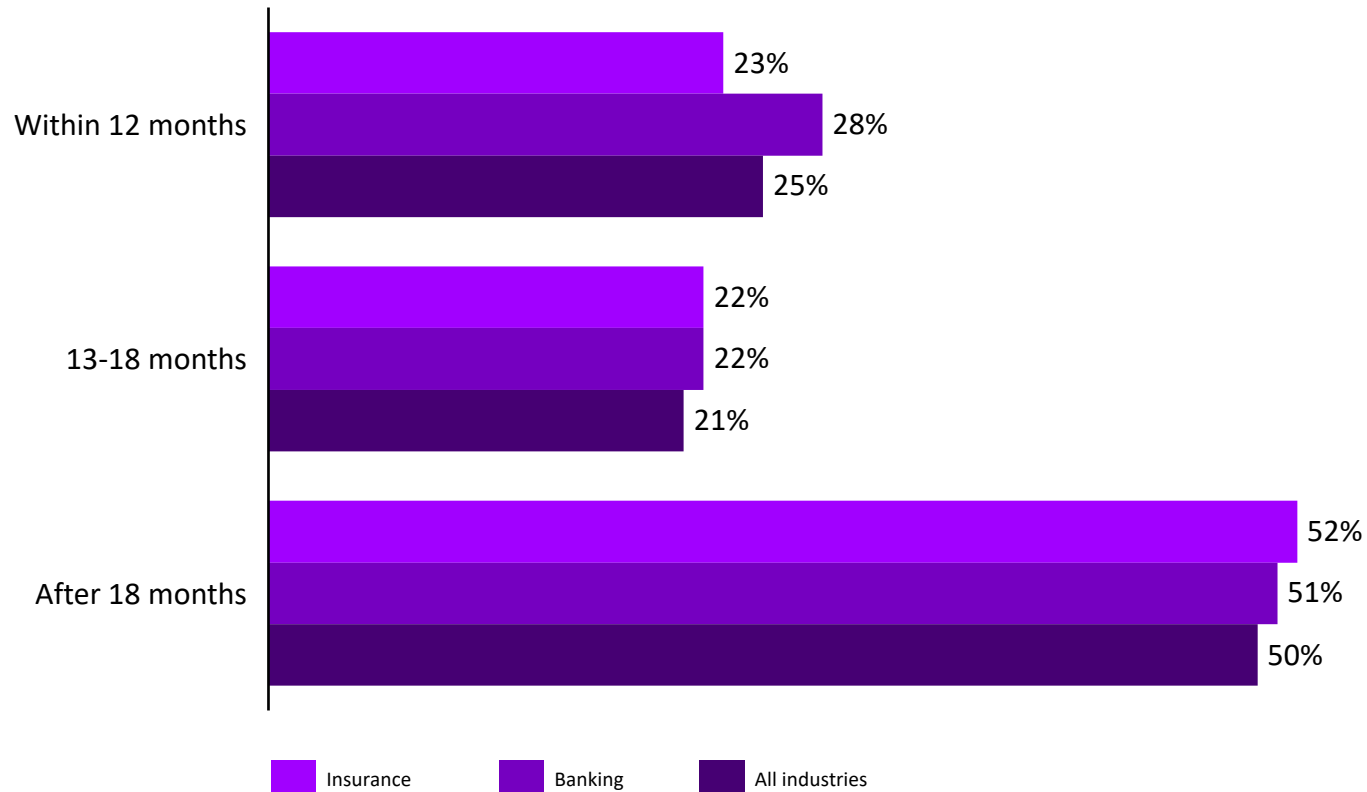
Insurers set lower aspirations across revenue, cost and balance sheet



# Timeline to impact

“What proportion of financial value [was expected/do you expect] to be delivered in each of the following time periods?”

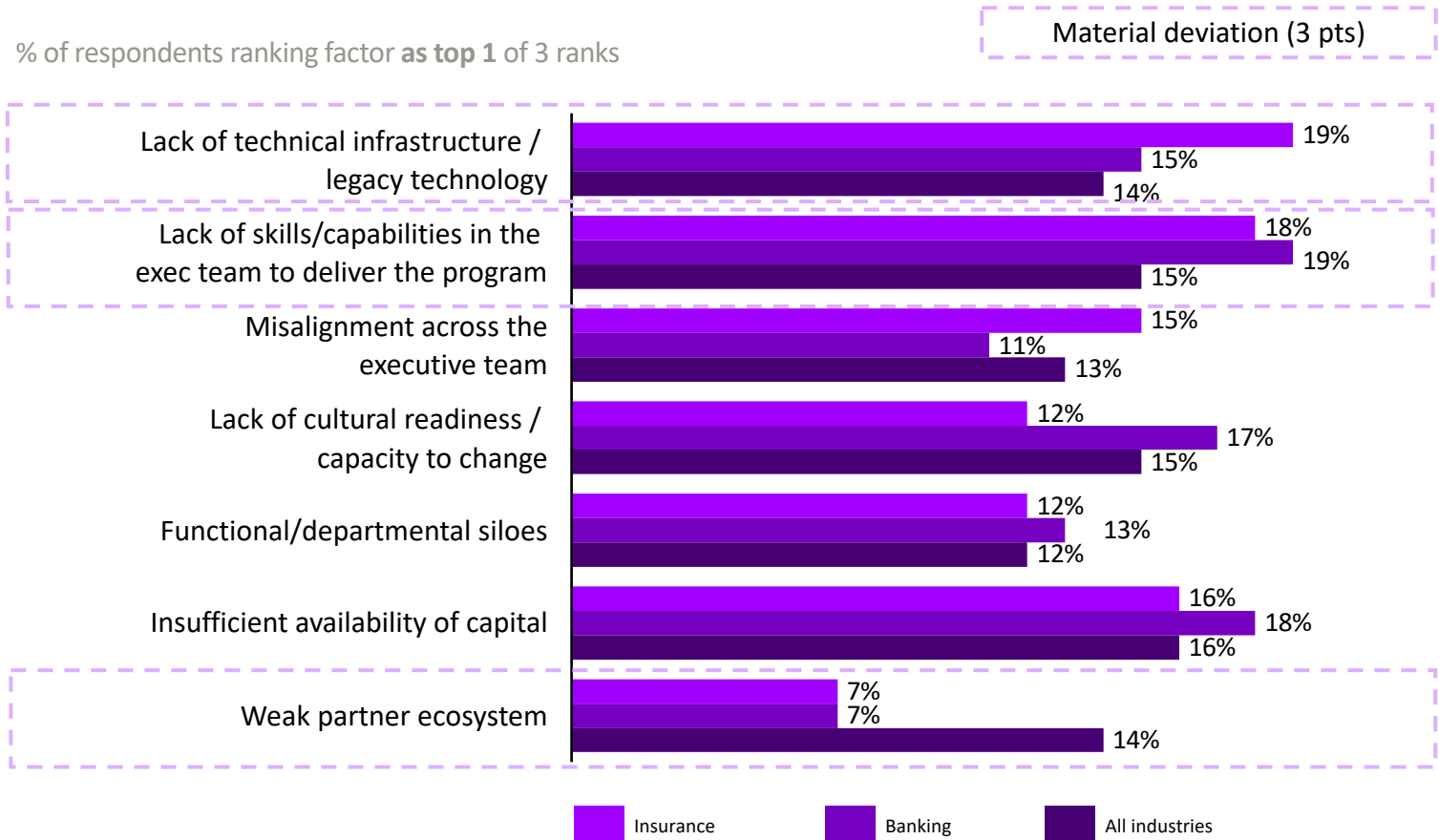
(mean value from responses)



Insurers set marginally longer timelines for value realization

# Barriers to reinvention

“What barriers [have you faced/do you expect to face] in delivering your reinvention strategy and transformation program?” Please rank these practices in order of importance?

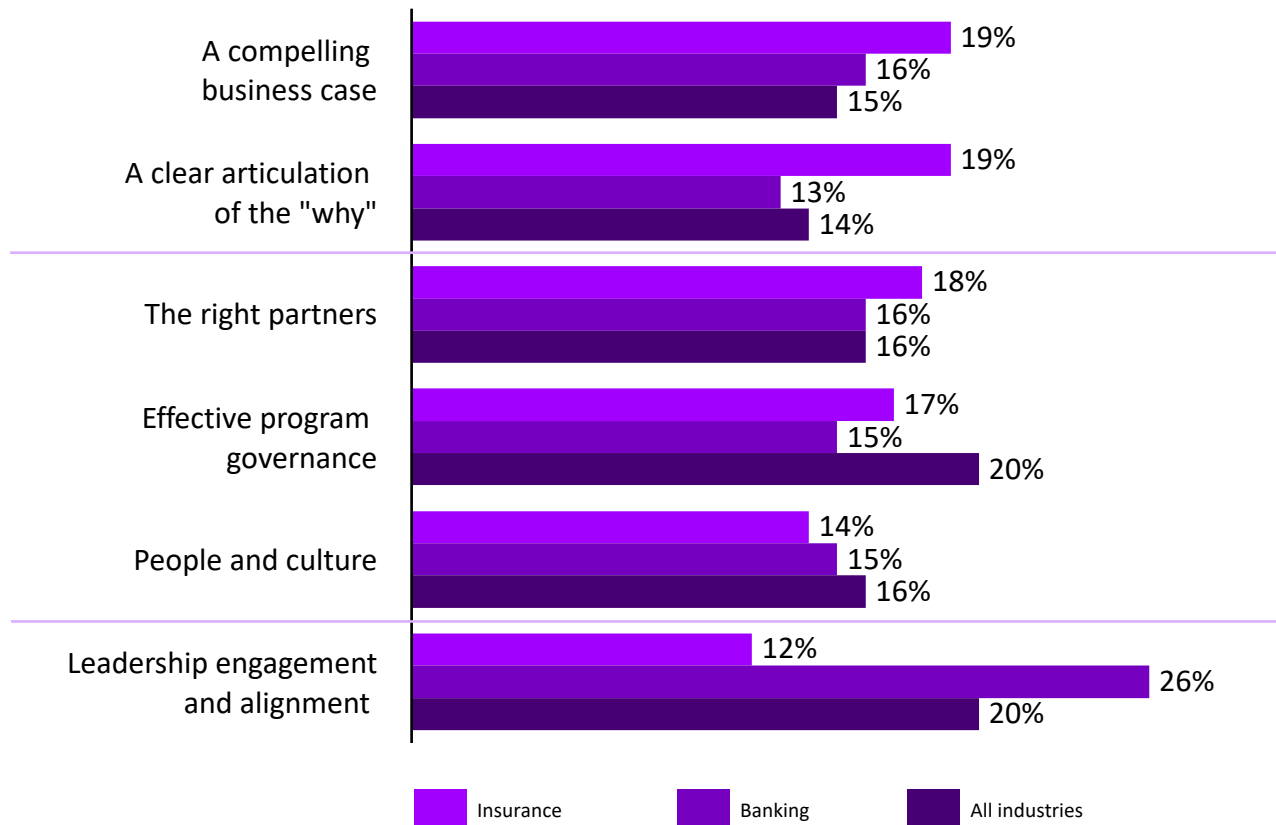


Insurers see technology and leadership skills as greater barriers to change and have greater confidence in their partner ecosystem

# Reinvention success factors

“Which of the factors below [were/would you expect to be] most important to the successful delivery of your reinvention strategy and transformation program?”

% of respondents ranking factor as top 1 of three ranks



Insurers set a high bar for business case and rationale ...

... are comparable regarding working with partners, governance, people/culture...

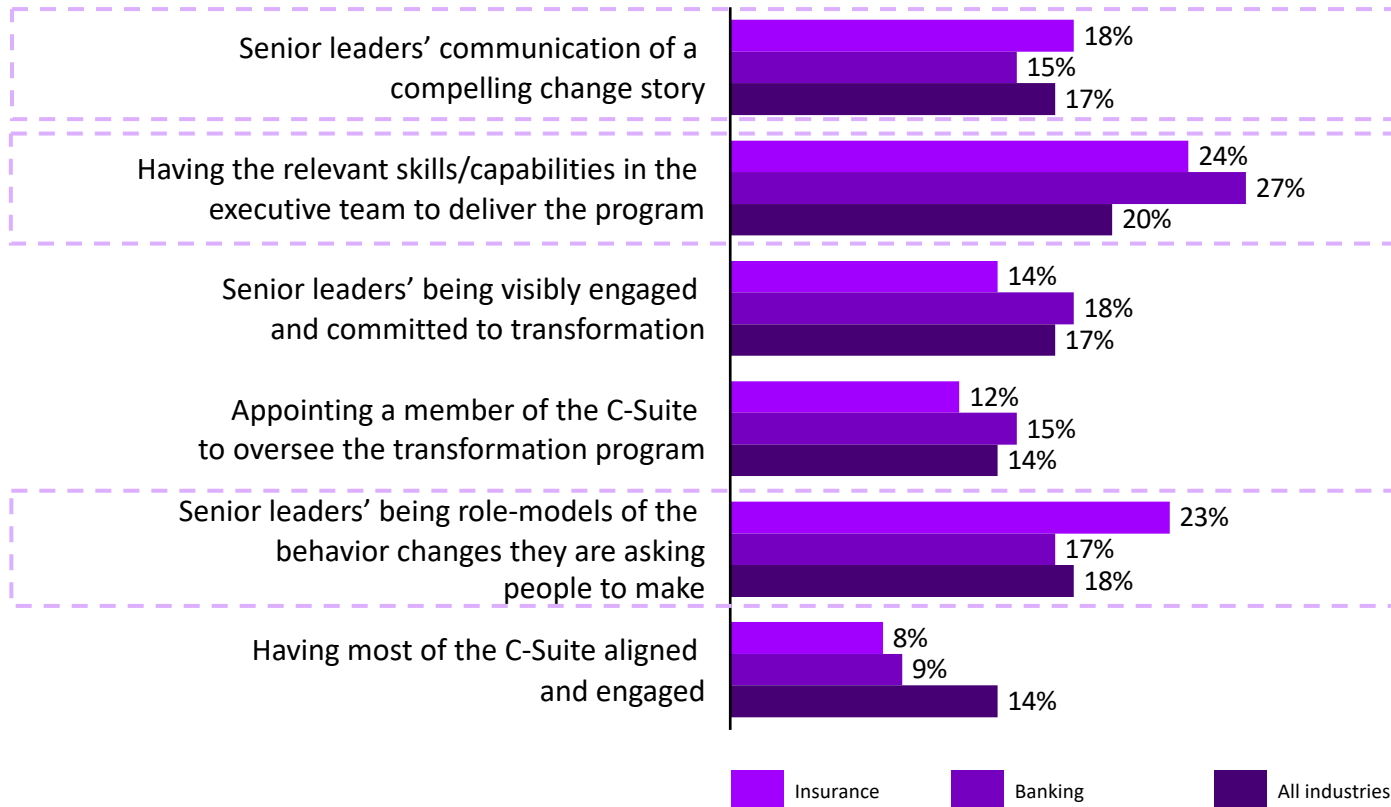
... and are under-indexed on leadership

# Leadership roles in driving reinvention

“Thinking in more detail about the sponsorship and governance of your reinvention strategy and transformation program, which of the following practices [were/are/will be] the most important to its successful delivery?”

% of respondents ranking factor as top 1 of three ranks

Increase vs. industry



Personal (less institutional) leadership is viewed as critical within insurance



## Relative to other industries...

**01**

Insurers see less impetus to accelerate change...

**02**

...set lower aspirations for change ...

**03**

... and expect to realize impact on longer timelines.

**04**

Barriers to change are largely similar – though technology, leadership skills and ecosystem environment differ slightly.

**05**

Insurers believe success rests on the business case and individual leaders – less on the institutional culture and leadership.



# Speakers' Insights & Perspectives





# Q&A