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Broadening Market Focus in Group Insurance: A Conversation with Guardian Life

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We recently explored several [trends in the group insurance market](#) with Jay D'Aprile, who leads the Insurance and Financial Services practice at Slayton Search Partners. Many of these trends are innovative approaches to the business-as-usual model that dominates the sector. Jay concluded that the biggest motivation behind these trends is the effort to stay competitive and profitable against a shifting business landscape and changing market conditions.

One trend – broadening market focus – and acquiring the talent to drive this change is of particular interest to us as it's where we see the greatest need for competent and visionary leadership. To dig deeper into this topic, Jay sat down with Chris Swanker, CEO of Avēsis, the Government Programs Division for Guardian Life Insurance Company, who shared his insight into how this strategy impacts business growth and what it looks like to execute on this goal in real life.

Accelerating Growth Through Market Broadening Tactics

The insurance industry is historically slow to adapt, but with shifting regulatory requirements, changing customer expectations, and digital disruption, large-scale changes are inevitable – and essential for growth.

For Guardian Life, an insurer with over 150 years in the market, they understood that any new initiatives to market their brand, enhance their offerings, or leverage their existing networks could only take them so far in achieving further business growth. Through their years in operation, the mutual insurance company had seen plenty of expansion into new lines of business on the commercial side; however, expanding their market focus outside of commercial was uncharted territory.

Guardian's core offerings include Individual Life, Dental and Group, Voluntary and Worksite insurance products, but they had a particular interest in growing their knowledge and capabilities in the Dental and Vision benefit products. While they had long focused on providing these products on a commercial level to employer groups, they quickly realized there was a massive population of people they weren't reaching; namely, the 72 million people on Medicaid and 60 million on Medicare. Expanding their offerings into the Government Programs market would be a massive undertaking, but one that came with clear benefits.

Swanker explained that this was the spark that led to two new acquisitions. Guardian acquired Avēsis in 2016, adding the company to a 2014 acquisition in the same segment and appointed

Swanker to head the government division. Expanding their expertise into this adjacent market also provided a richer opportunity for their network providers, an important element of their eco-system, to participate in more markets and round out their revenue streams. Ultimately, this move has been instrumental in accelerating Guardian's growth and position in the marketplace.

Leading the Effort to Broaden Market Focus

The idea of broadening market focus sounds like a simple enough concept. However, Swanker was reminded of the saying that "you can't be everything to everyone," and Guardian's expansion efforts seemed to go directly against this. Furthermore, an undertaking like this is not an overnight transformation and requires years of change and evolution. Leaders are faced with the monumental task of reevaluating and restructuring their operating models. They must be highly skilled in prioritizing the process of building and combining their capabilities, solutions, and distribution methods.

To be successful, Swanker realized he was required to address these challenges head-on. At Guardian, he says, they worked hard to maintain a strategic synergy between leaders as they decided where to stay specialized and focused and where to bring things together for the broader good. This involved careful consideration of which features, processes, functions, and marketing initiatives should be kept separate between each group and which could be combined. For those that could be merged, clear objectives, a detailed timeline, and deep knowledge transfer were essential.

To help navigate the two acquisitions, Swanker explained to D'Aprile that Guardian was required to build a leadership team composed of existing Guardian executives who wanted to work on something new and exciting, as well as recruit and hire new talent who had deep insurance experience in the Government Programs sector. This balance of internal and external people ensured they made the most informed and strategic decisions in integrating the two lines of business without sacrificing quality to either market segment. "Guardian is also a values-driven culture focused on doing the right thing and holding itself to high standards," commented Swanker, "so it was critical to embed our values in the culture we were creating."

Swanker also stated that, "broadening market focus in the insurance sector requires leaders who can grasp the big picture and build a long-term vision for how this objective plays out. A nimble, agile leadership team is a must; whoever's at the helm needs to be comfortable with ambiguity in the midst of change." He went on to explain that challenges will take many forms

depending upon the existing structure of the company. Some employees will not have the technological capabilities needed to keep up, others may be too siloed, inflexible, and hierarchical. The right leaders must anticipate these challenges and how they will impact the effort to expand into new markets.

The Bottom Line

The goal of expanding group insurance business into new markets, or any line of insurance, can only be achieved by pushing back against a one-size-fits-all approach. Understanding exactly how to evolve processes, platforms, and solutions will require the seamless integration of existing executives and new talented leaders into one cohesive and united leadership team.

D'Aprile concluded with saying that the "group Insurance industry is undergoing the biggest change in 50 years and as the market continues to shift, those in the insurance sector must be proactive in identifying and acquiring the talent that will help drive this change." And as Guardian has experienced under Swanker's leadership, broadening their market focus has been instrumental in allowing them to stay competitive and profitable.

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