

JUNE 2021

How Insurance Companies Are Adapting to the Remote Work Model

Jay D'Aprile

EXECUTIVE VICE PRESIDENT



The pandemic-induced transition to a remote work model is, by now, old news. But for industries like the insurance sector, which have historically been slower to adapt to paradigm shifts, adapting to this remote model is ongoing.

Many insurance companies have remained committed to their local talent pools, recruiting leaders and workers for whom the office commute has never been in question. But now, with a year of data under our belts, giving us deeper insight into the pros and cons of remote work, location seems to matter less.

We've done the research and interviewed a handful of leaders in the industry to explore how insurance companies are adapting to the remote work model, which is poised to persist long after the pandemic subsides.

Ensuring Productivity Levels in Remote Work

I recently spoke with Larry Nisenson, who acted as Senior Vice President and Chief Commercial Officer for Genworth during the worst of the pandemic. Being in the long-term care business, Genworth's commitment to care clearly extends to its employee base. In fact, the company's number one priority for its workers during the pandemic was safety—and remote work factored heavily into that plan. Incredibly, Genworth saw virtually no drop in productivity while working remotely.

Nisenson, who departed Genworth in May, credits the company's IT leaders for building an innovative infrastructure that could efficiently support a remote workforce. It's an environment that is sustainable for the long-term and, consequently, has significantly reduced any geographic limitations in the recruiting process. It gives Genworth the ability to expand their talent pool and focus on attracting best-in-class leaders and workers whose high levels of productivity can help the company grow.

Many other companies are seeing similar results, too. Countless studies over the last year have reinforced this sustained productivity, including [a survey conducted on Indeed](#), which revealed that 72% of employers said their remote employees were more productive than they were in the office. Certainly, improved employee management processes and technical infrastructures are critical for an optimal remote work model. But if there's a silver lining to be found over the last 18 months, it's that the groundwork has been laid for an insurance industry whose workforce can adapt more quickly to disruptions of all sizes.

Overcoming the Lack of Face-to-Face Interaction

In-person interaction is a big reason why insurance companies have traditionally chosen to keep their workforce on-campus. But that's evolving. I spoke with Mike Simonds, Chief Operating Officer at UNUM, who has watched this evolution take place and has faced the difficult questions that come up in the new remote landscape. Do you really need your employees to be co-located five days a week, year-round?

Simonds suggests that "sprints" of intense, co-located work that last for finite periods of time before returning to long-term cycles of remote work may actually be more productive. In these sprints, employees have the bonding and relationship-building time that's essential to any workplace culture. This reinforces teamwork and collaboration that lasts even into the remote environment.

These are universal workplace truths about the remote work environment for any industry and any company. But the reason insurance companies are equipped to adapt to this new reality is that the insurance business is a lot more agile than many people give it credit for. Working together to roll a product out is key, but so is staying close to the customer and evolving the product in real-time—this process can be easily facilitated in a remote environment.

Ultimately, communication, collaboration, and support combine to create a recipe for an optimal virtual culture in which insurance companies can thrive.

Embracing Flexibility

The remote work model supports a natural give-and-take of flexibility. Insurance providers like Genworth have loosened the reins on their workforce and are excited about the future, where in-office attendance will likely be voluntary. UNUM agrees, having exercised greater flexibility in where and when its workers and leaders choose to work. In return, these companies have recognized the freedom of flexible geographic boundaries from which they can recruit insurance talent.

Ultimately, flexibility in your insurance workforce model also paves the way for greater innovation and more agile adaptability. The fact is, some business lines within the insurance sector will continue to grow—but others are waning in interest and profits. Thus, shifting and retraining your talent across business lines will be a key differentiator—and the success of these efforts is more achievable with a workforce that is already accustomed to an agile, flexible culture.

Leveraging InsurTech

For insurance to successfully adapt to the remote work model, technology must be the backbone. It requires not only a robust infrastructure to support a virtual workforce, but all the digital transformation necessary to meet the demands of consumers and investors. The fact that [insurtech funding surged to an all-time high](#) during the pandemic—despite the losses in the insurance sector itself—indicates just how important it will be for insurance companies to achieve this balance.

Only with technology can the insurance sector remove geographical limitations to their talent pools, support a national or global workforce, and ultimately, position themselves in a rapidly evolving market where the customer's voice is louder than ever before.

As we've seen, the insurance industry has space to grow remotely without sacrificing productivity, culture or capable talent. Technology is largely feeding this remote work exodus, both as a way of expanding digital footprints and improving the customer experience. The end result is a definitive answer to our question: Location matters a lot less in today's insurance industry, and if the sector adapts to the remote work model and builds its digital footprint appropriately, the insurance sector could benefit exponentially in the process.