



The Spotlight

The Spotlight is a regular Q & A feature that showcases our people, their expertise, and trending topics that are on top of our clients' minds directly from the voices of our business leaders.



Don McNeas, Partner, Insurance

Don McNeas is a partner at McLagan and leads Ward Benchmarking for life, annuity, health, and retirement. Don works with senior management to enhance growth and improve performance at some of the world's largest insurers. He advises clients on target operating models, performance benchmarking, and organization effectiveness to achieve their business objectives.

Questions and Answers

How are insurance companies taking advantage of key advancements in digital, analytics, artificial intelligence, and robotics?

According to our Digital Intelligence and Innovation Study, which included 50% of the top 10 Life and Annuity insurers, over 40% have already imbedded new tools and processes, such as digital operations, self-service, digital marketing and distribution, and advanced analytics. Leading insurers are utilizing automated underwriting with advanced analytics to process and make decisions on new customer applications, leveraging tools like Fitbit to monitor and provide tips for healthy lives of insureds, as well as robotics to initially prioritize and then process simple claims. Alexa and other custom chatbots are streamlining customer service and resolving an ever-growing range of customer inquiries and requests.

What is top of mind for insurance companies in the current consumer-driven, highly competitive industry landscape?

Insurers almost universally want to get closer to their customers and prospects, both in understanding their needs and increasing the client's ease of doing business. Not everyone wants a relationship with their insurer or agent—some just want simple, fast, and convenient transactions on their mobile device. For others, however, the focus lies on solutions that improve financial wellness through meeting or avoiding healthcare costs, while providing secure income in retirement and an overall enhanced quality of life. Improving advanced analytics helps insurers recognize the difference in prospects and clients, thus improving offers, raising acceptance rates, lowering distribution costs, and increasing value for both the client and themselves.

If you could describe today's insurance industry in three words, what would they be?

Challenged by margins, regulation, and technology

How are insurance companies adapting their talent strategies as technology continues to develop in the industry?

Customer insight, advanced analytics, information security, and compliance were the top insurance roles added in recent years. Insurers are consistently examining their strategic priorities and asking themselves, do we have the skills needed for execution at the right levels within the organization (including CEO directs), and are we organized for maximum effectiveness and staffed at appropriate levels for the tasks ahead? These high-demand capabilities are often found outside the industry, leading to an increase in external hires at senior levels. Companies are also funding and focusing on internal capability development and programs with universities and other sources to build an appropriate talent pipeline.

What do you see as the next big challenge for insurance companies in designing compelling reward strategies?

Balancing the need to fund and incent key individuals with the necessary skills to drive the customer and technology change agenda, while wringing out new efficiency and productivity in core business processes will be challenging. Companies must achieve adequate differentiation and resource allocation to attract and retain the talent required to achieve their strategic priorities.

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