



Episode 25: What it means to a modern leader in the insurance world

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TAMMY RICHARDSON: So people want to be inspired, I think, to be the best they can and work for organizations that have an amazing culture. So as modern leaders, how can we foster an environment that connects our teams to each other and to a purpose that's bigger than themselves?

NARRATOR: You're listening to Rethinking Insurance, a podcast series from Willis Towers Watson where we discuss the issues facing P&C, life, and composite insurers around the globe, as well as exploring the latest tools, techniques, and innovations that will help you to rethink insurance.

SINA THIEME: Hello and welcome to Rethinking Insurance. I'm your host, Sina Thieme. And today I'm delighted to be joined by my guest, Tammy Richardson. Welcome, Tammy.

TAMMY RICHARDSON: Thanks, Sina.

SINA THIEME: Tammy, you're the managing director of our insurance consulting and technology business in the UK and Ireland across P&C and life insurance. And you've been with Willis Towers Watson for almost 10 years. And prior to that, you worked at Genworth Financial and GE Capital. I think your background is in economics. And you would call both the US and the UK your home, right?

TAMMY RICHARDSON: That's right. So I moved to the UK in the late '90s thinking I was going to be here for two years. And over 20 years later, I'm still here. And it's home now.

SINA THIEME: So what I'd like to talk about with you today is how to be a modern leader in insurance and what you think that encompasses and with your over 30 years of international experience and consulting and financial services and having been named one of the 20 business insurance women to watch in EMEA a couple of years ago. I think you're an excellent partner for this discussion. So I look forward to that.

TAMMY RICHARDSON: I'll give it my best shot.

SINA THIEME: Before we get into it, I Googled your name. And the real you is quite high up in the search results. But what I also found is an actress called Tammy Richardson. And she, for example, played in the film Tango and Cash with Sylvester Stallone in 1989. Is this the sort of result you wish one would find when Googling your name?

TAMMY RICHARDSON: That's much cooler than me. So that's-- I didn't know that. That's an

interesting fun fact.

I thought there was a famous professional fisherwoman called Tammy Richardson. So an actress is much more interesting.

SINA THIEME: Especially one who played in Tango and Cash with Sylvester Stallone. Yeah. So moving on to today's topic, I think what people typically mean by modern leadership is the type where a leader's sort of source of power is shared by their team rather than just by himself, and he protects that power. And it's leading by example. It's being responsible. What does modern leadership mean to you personally and other particular nuances for a leader in the insurance world?

TAMMY RICHARDSON: Sure. So I mean, modern leadership is an interesting concept, right? I mean, leadership styles need to evolve. What made a good leader, say, 30 years ago won't work in today's environment, the old command and control. I think you referenced it right. Telling people what to do isn't really inspiring and doesn't work today.

Modern leaders don't behave in a way that protect their power or control the flow of information. So I often say to my team, information is free. Modern leaders put the team before themselves and encourage and coach with the intent to help everyone be the best they can. So this creates a higher level of trust when you're sharing information. And they know that you're genuinely looking out for their best interests.

I also say to my team that I care more about them as people and their well-being than I care about the numbers. But I think it's important to also say, being a modern leader doesn't mean you're soft on achieving your business objectives. It's quite the opposite. If we get the people aspects right and we can attract, retain, and develop our talent, then the results will follow.

So people want to be inspired, I think, to be the best they can and work for organizations that have an amazing culture. So as modern leaders, how can we foster an environment that connects our teams to each other and to a purpose that's bigger than themselves? So we need to be clear about how their work is meaningful.

And for the second part of your question, I think it was about how it applies to the insurance world. And so especially with the pandemic, attracting and retaining talent is only going to get to be more difficult now that we've proven as an industry that a lot of our jobs or parts of jobs can be done remotely. And people don't have to move to a different city to switch companies.

So you need to treat your talent bespokely. That is, everyone has a different aspiration or at different phases of life. And modern leaders need to make sure that they ask, listen, understand what our teams want their careers to be like now and in the future and actively help them get there. And we're just thinking about our strategy going forward and what a modern leader needs to invest in their teams as far as well-being and career goals. And so connecting people, collaborating, and creating, and enabling that innovative mindset is what we need to do going forward.

SINA THIEME: Right. I guess this is a nice segue way into the whole topic of inclusion of different lifestyles, different ages, different genders, which is much easier said than done. Do you have any examples or stories that you can share in how inclusion should impact leadership and how that's done?

TAMMY RICHARDSON: Yeah. I think-- yeah. And maybe I'll start with the values that we have at Willis Towers Watson. There's five of them-- client focus, integrity, excellence, respect, and my personal favorite is teamwork. And we define teamwork as, when you get one of us, get all of us.

And so in that spirit of valuing teamwork, to me, embodies the principles of inclusion and modern leadership. And I recently spoke at a Dive In event about active allyship. And that is purposefully supporting underrepresented talent. And a modern leader embraces an inclusive attitude and culture that recognizes our best innovation and aspirational business performance

comes from engaging the uniqueness of different perspectives.

So if we can harness our collective talent to connect and collaborate, then the business will thrive in the future. And so inclusiveness needs to be at the heart of modern leadership.

SINA THIEME: Right. So then, how do you think sustainability feeds into the concept of modern leadership?

TAMMY RICHARDSON: Sustainability is a big word and really important. And we know that we need to make changes to create a more sustainable world. And our teams will look to us as leaders and hold us to account regarding what we're doing and what actions we're taking to improve sustainability.

So modern leaders need to be able to articulate the organization's objectives, actions, and measures on how we're transitioning to a sustainable future. And the insurance industry is at the heart of this. Both sides of the balance sheet are impacted by climate-- the investments and the underwriting. And we recently launched-- just as a side line here-- we recently launched climate transition pathways, which is an accreditation framework that provides insurance companies and financial institutions with a consistent approach to identify businesses with robust low carbon transition plans aligned to the Paris Agreement. So using insurance as a force for good will help us on the path to that sustainability.

SINA THIEME: And are there other ESG aspects that you haven't mentioned yet but that also impact leadership or should impact leadership?

TAMMY RICHARDSON: Yes. People have many-- I should say ESG. We're talking about environmental, social, and governance. And so people have many choices about where they work. And employers need to create an employee value proposition that's attractive, not just in compensation, but also in these broader aspects of social responsibility including ESG. These are the non-financial measures on which companies are evaluated.

And an ever-accelerating ESG-conscious world, evidence is growing that implementing robust practices will contribute to long-term sustainable financial performance as well as benefiting communities in which we operate. And a strategic response to climate change is more than risk measurement and pricing. It requires really far-reaching changes across, say, organizational culture, capital allocation, and the way in which we work. So modern leaders in insurance need to be able to connect all of those aspects in their businesses.

And I think in the end, governance will be as important as the E in ESG. So governance shapes and reflects the culture of an organization. And frameworks can be a valuable guide for boards towards effectively embedding ESG throughout an organization.

SINA THIEME: Do you have any examples to bring this to life a bit?

TAMMY RICHARDSON: So if you think about the social aspects of ESG where it involves HR practices, the culture of a company, having policies and procedures that encourage inclusive and diverse behaviors and talent in conversations. So all those elements of environment, social, and governance encompass such a wide-ranging aspect of an organization that modern leaders really need to be able to communicate and articulate what their ambitions are, what their strategies are. So it starts out with the communication, and then it gets into effective action and then measurement on how an organization is responding to these demands.

And more and more institutions are rating companies on ESG. And those with the best ratings are going to have the best access to capital, generate the best multiples for their businesses.

SINA THIEME: And best access to talent, presumably, right? Because this is becoming more and more important for younger colleagues, as well.

TAMMY RICHARDSON: Yes. I would say I have three millennial children. And I hear about it from them all the time around they want to work for companies that are socially conscious, that

have a plan to help the environment, that are run robustly by boards that take this seriously. And so they are evaluating companies that they want to work for or are passionate about in a very different way than, say, my generation.

SINA THIEME: And tell me. How do you know a leader truly means what he does in terms of inclusion and diversity and sustainability, and he doesn't just do that because it's expected of him?

TAMMY RICHARDSON: I think that's a great question. And I believe our talent, our people, can see through when leaders are not genuine. If they really believe in inclusion and sustainability and climate, that will come through in how passionate they are about those topics. And the proof also is in their actions. Are they standing behind the words that they say and truly, truly behaving in a way that brings their people along with them in this modern leadership kind of way?

SINA THIEME: Right. Yeah. So which three points would you want a leader in the insurance industry to take away from this discussion?

TAMMY RICHARDSON: It's hard to boil it down to three, but I will try. So I would say your people, your talent, are your most important asset. And you really need to look after it, nurture it. Ask yourself, what are you doing today to create a bespoke-inspiring colleague value proposition?

Secondly, ESG. How are you measuring and communicating internally and externally your aspirations regarding the environment, social, and governance aspects of your business? So these non-financial aspects that are important to your stakeholders-- all your stakeholders-- are now also driving your ability to access capital.

And finally, I found this really interesting that one recent survey gave over 80% positive chance of growing your revenue if the business was run by a modern leader. Now, I would ask you to think about, are you one of those? Or is there work to be done?

SINA THIEME: Thank you so much for your time, Tammy, and your thoughts on the topic.

TAMMY RICHARDSON: You're welcome. And it was a pleasure.

SINA THIEME: Well, thank you for listening to this episode. And if you found this interesting too, then join us on future episodes of (Re)thinking Insurance.

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