

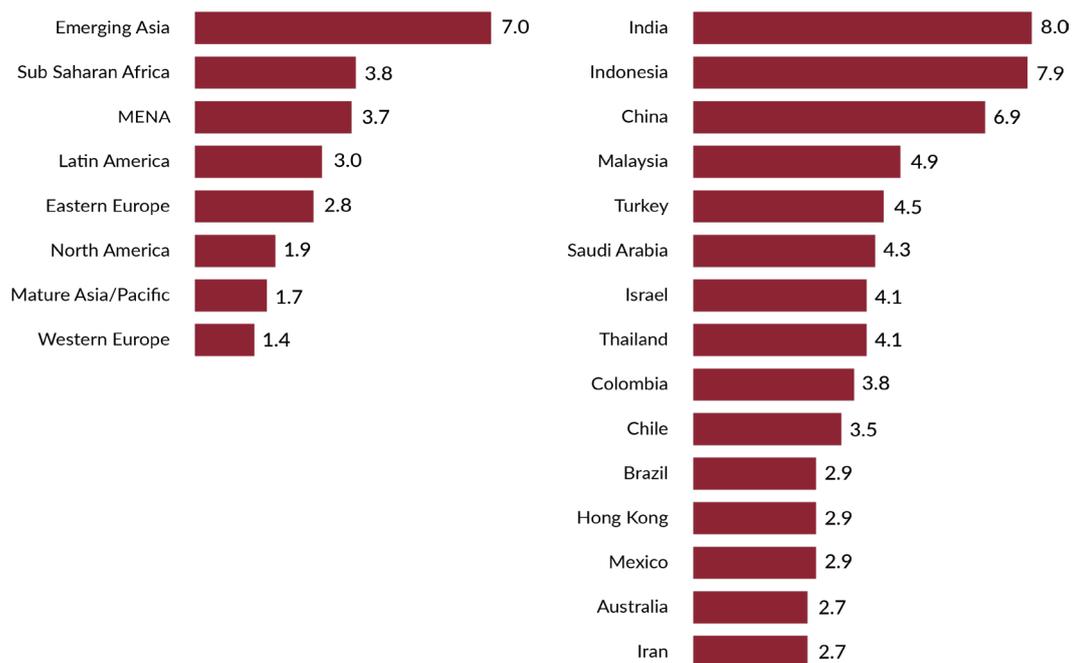


2020 INSURANCE MARKET UPDATE

InsurTech and digital technologies have disrupted the traditional insurance industry significantly. In the last 12 months, we have placed more non-traditional candidates into the insurance industry than ever before. By looking into alternative approaches to business, insurers are rethinking their hiring strategy and seek to expand their organisation beyond the usual candidate pool.

This report highlights the changing trends of hiring within insurance and what to expect in 2020.

P&C PREMIUM GROWTH, REAL COMPOUND ANNUAL GROWTH RATE (CAGR) 2019–2030 IN %

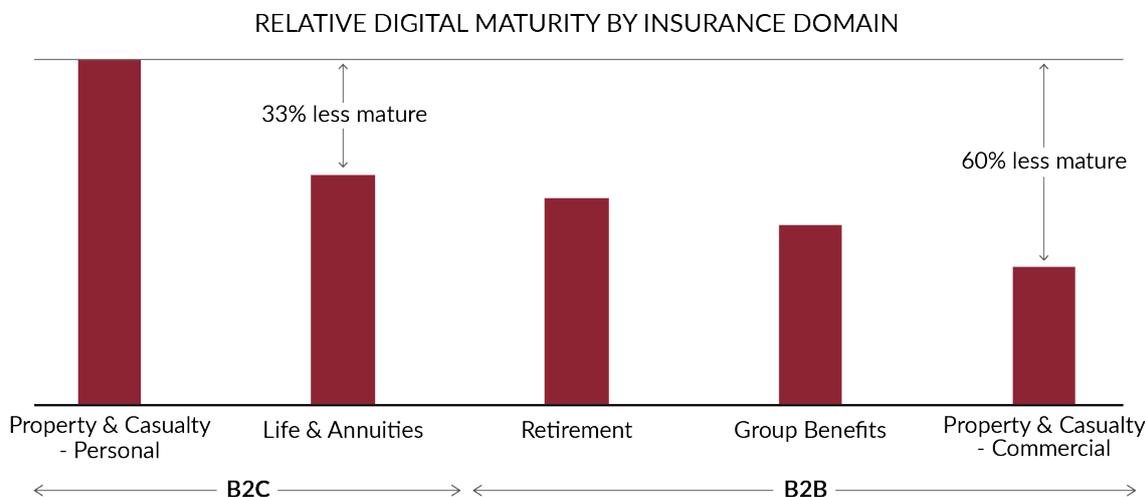


Top 15 of the 40 largest markets by P&C premium volume

SOURCE: Munich Re Economic Research

4 FORCES DRIVING INSURANCE HIRING

1. DIGITALIZATION



SOURCE: How Insurers Bring Focus to Digital Initiatives through a Maturity Looking Glass, Cognizant

Life Insurance

Agencies, brokers and bancassurance have been the traditional channels for insurance growth. With the emergence of rapidly evolving customer behaviours and digitalization of customer access, a few insurers are leading the way to digitize their business more quickly than anticipated.

While insurers need to embrace this digital transformation across agency and bancassurance channels, they will also need to create benefits and efficiencies for the more traditional channels in order to adapt to these new technologies. Customer journey and user interface are increasingly at the forefront of senior leadership conversations.

“The threat comes not from the technology, but the failure to seize its business potential, claiming first mover advantage.”

Insurance Disrupted: General Insurance in a Connected World, Deloitte LLP, 2015

Non-Life Insurance

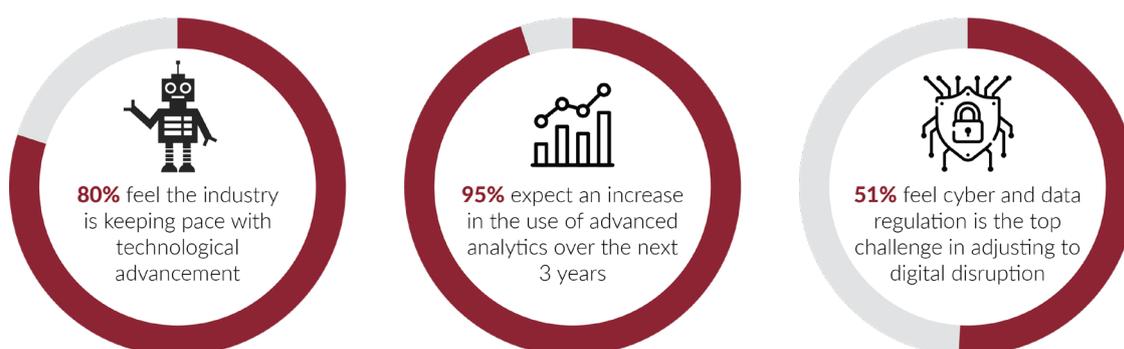
The development of new platforms from outside the traditional industry has grown at an exceptional rate. InsurTech and digital insurance have disrupted traditional insurance companies, for example, FWD offering entirely online insurance services for its clients. China is currently the market leader in providing one-stop platforms (e.g. WeChat) for the seamless customer experience. Other APAC markets are closing the gap.

Online aggregators allow customers to easily compare products and prices before buying a policy. We are seeing increased transparency across products, streamlined purchasing processes and improved customer satisfaction across insurance and other areas of e-commerce.

For insurers to offer a truly seamless digital customer experience, they must collect and use data effectively. This requires experienced project managers to modernise internal processes as well as technology developers to create user-friendly applications. Both should work closely with innovation and partner leads to ensure seamless integration and effective product reach to customers.

Additionally, due to customers buying insurance directly online, insurance firms will need to put into place cybersecurity protections to safeguard customer data and ensure customer privacy. These developments mean making sure the business is on board and experimenting with different business lines. The insurers who get this right will reduce overhead and streamline operations to deliver cost efficiencies and differentiation in this highly competitive landscape.

With the majority of the world's population actively online, digital disruption is now the norm. According to a Deloitte survey on 2020 trends in the EMEA insurance market, many insurers believe technology will only continue to advance in the coming years. Insurers should leverage these technologies to their advantage to stay ahead of the curve.



Based on a survey of the EMEA Insurance Market

SOURCE: A demanding future: The four trends that define insurance in 2020, Deloitte

2. EXPANDING REVENUE CHANNELS

With margin pressures and new disruptions across the industry, insurers are currently looking at alternative sources of revenues.

As direct insurers expand their reinsurance capabilities to offer a one-stop-shop to clients, they are now looking beyond their current use of agents and brokers. Instead, insurers are embracing technology as a way to create common marketplace platforms as well as social media to curate customer buying experience.

Insurance firms have not been shy to leverage their balance sheet to offer more comprehensive structured solutions within the global market for their institutional clients, as well as expanding their direct investments capability in the chase for yield.

FinTechs are expected to see significant growth, largely in part due to the increased accessibility of financial accounts through mobile phones. Particularly in the emerging markets, FinTechs have the potential to generate an additional GDP of US\$3.7 trillion by 2025.

3. UPGRADE OF TALENT

As a result of these expanding revenue channels, insurance companies are looking beyond hiring within the traditional industry. We have seen new headcounts for roles such as:

- Head of Innovation
- Partnerships Manager
- Digital Legal/Technology Compliance
- Data Analytics
- Head of Global Markets Structuring

These roles did not exist before and are relatively new in the industry. When hiring for these positions, candidates from diverse backgrounds are considered, including from the FMCG, technology and other non-insurance sectors.

Across the support functions, clients have become much more interested in hiring candidates from industries that have undergone massive upheaval, such as banking and technology. They tend to look outside traditional large insurers for more innovative, solution-oriented employees. As the digital insurance space grows, the competitive landscape shifts significantly and the challenges across the industry evolve.

We are also seeing an increase in demand from non-insurance candidates who now want to join the insurance industry. Candidates want the stability of joining an asset owner as well as the opportunity to drive anticipated changes.

To improve infrastructure, HR departments across the region are increasingly looking to upskill their staff. This can be attributed to significant advances in the insurance workplace, such as:

- Improved technology to allow for agile working environments
- Genuine wellness programs – remote working, gym memberships, meaningful benefits

Strong company culture is crucial to attracting and retaining talent. According to our survey conducted with the Roffey Park Institute of nearly 3,000 professionals across APAC, a culture that embraces professional development and continuous learning was at the top of the list of attributes employees look for in an organisation.

WHAT ARE THE THINGS YOU LOOK FOR IN AN ORGANISATION? % OF RESPONDENTS WHO INDICATED:



SOURCE: Profile Search & Selection / Roffey Park Institute, 2019 Working in Asia Pacific

HIRING HOTSPOTS IN 2020

Hiring for insurers is expected to expand in 2020. This is primarily due to the following industry disrupters, which we predict to be the top insurance hires over the next year:

- Head of Partnerships
- Enterprise Risk Management
- Tech / Data Privacy Lawyers
- Global Markets Derivatives Sales & Structuring
- Direct Investments / Alternative Investments
- Forward-thinking HR / HR Op Design
- Innovation / Customer Experience
- Technology Developers
- Data Analytics
- Project Managers to drive digitalization for more brick & mortar insurers

4. CHINA DEVELOPMENTS

Recruitment trends in China are shifting the focus away from the traditional insurance business and more towards the technology sector. For instance, e-commerce companies are setting up their business to support freight insurance. Over the past few years, new and diverse types of insurance products have been created, and product, risk and digital hires are noticeably active in the market.

According to Swiss Re Institute, China's insurance market will likely quadruple in 14 years to US\$2.36 trillion and surpass the US as the world's leader in the 2030s.

With the opening of China's financial services market, insurance is becoming an increasingly important industry. Local regulators have begun approving organisations to set up their WFOE insurance businesses in China. Due to this ongoing progress, we anticipate the recruitment market will be very active over the next 3 to 5 years.



RECENT INSURANCE PLACEMENTS BY PROFILE

ROLE	ORGANISATION	LOCATION
Head of China	Global Insurance Firm	China
General Counsel, APAC	Global Insurance Firm	Hong Kong
Head of Digital Legal, APAC	Asian Insurance Firm	Hong Kong
Regional Digital Lead	European Insurance Firm	Hong Kong
Director, Credit Research	Global Insurance Firm	Hong Kong
Chief Operating Officer	Global Insurance Firm	Hong Kong
Head of Talent Management & Development, APAC	European Insurance Firm	Hong Kong
Group Head of Talent & OD	Digital Insurer	Hong Kong
Head of Compensation and Benefits	European Insurance Firm	Hong Kong
Head of HR	European Insurance Firm	Hong Kong
Head of Talent Management, APAC	Global Insurance Firm	Hong Kong
Head of Service Delivery	Global Insurance Firm	Hong Kong
Senior Manager, Strategic Investment	Global Insurance Firm	Hong Kong
Head of APAC Performance & Rewards	Global Insurance Firm	Hong Kong
Regional HR Business Partner	European Insurance Firm	Hong Kong
Content Strategy & Editorial Manager	Global Insurance Firm	Hong Kong
Legal Counsel	Global Insurance Firm	Hong Kong
Regional Digital Lead	European Insurance Firm	Singapore
Head of HR, SEA	Global Insurance Firm	Singapore
Head of Legal	Global Insurance Firm	Singapore
Head of Compliance	Global Insurance Firm	Singapore
Senior HR Business Partner	European Insurance Firm	Singapore
Senior Legal Counsel	Asian Life Insurance Group	Singapore
Legal Counsel	Asian Life Insurance Group	Singapore
Senior Manager, Risk and Compliance	Digital Insurer	Singapore
Senior Manager, Talent Management	Digital Insurer	Singapore

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