

Executing responsible digital growth and talent ecosystems effectively

InsurTech Insights Global Networking Event,
14th March 2022

On 14th March, Insurtech Insights partnered with global talent consultancy Sheffield Haworth, venture lab Alchemy Crew, and gig economy InsurTech Tapoly to present a series of expert panel discussions on the challenges and opportunities for driving growth and innovation in our industry.

More than 150 people attended on the evening. This is a short write-up of the panel discussions that kicked off the evening:

- Discussion one: Building global digital ecosystems - views and insights from global leaders
- Discussion two: Responsible investing - building diversity, equity and inclusion within the startup business
- Discussion three: Attracting and retaining the best talent to drive growth

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Discussion one: Building global digital ecosystems - views and insights from global leaders

Alchemy
crew



Moderated by Sabine VanderLinden, multi award-winning Founding Partner of Alchemy Crew

A business ecosystem works in the same way a biological or social ecosystem does - as an interconnected system where multiple participants can collaborate symbiotically to the benefit of all. Picture it as people, capabilities, and devices combining and connecting to create something greater than the sum of its parts.

This often offers a new value proposition for customers and a new business model for the companies involved. Business ecosystems enable organisations to centralise their digital offerings and develop products and services to meet the needs of specific customer groups. With digital ecosystems fast becoming the new normal in our digitised world, Sabine wanted to reach out to key figures in locations outside of London to get their expert views on the development of insurance ecosystems in their markets:



From Germany – Sebastian Pitzler, MD InsurLab Germany – a platform for connecting InsurTechs and insurers.



From France – Florian Grailot, Founding Partner, Astoria VC – specialist investor in seed InsurTech startups across Europe.



From Israel – Gil Arazi, Founder & Managing Partner, FinTLV Ventures – an InsurTech venture capital fund which invests globally.



From USA – Farron Blanc, VP, Brokerage Distribution & Strategy, L&G America – a life insurer.



From LATAM – Pablo Duarte, CEO, NetBrokrs – an international digital insurance broker and platform based in Florida, USA, but operating across Latin America.



With digital ecosystems bringing new opportunities, new partnerships and a new level of complexity, what is the state of play in your markets?

- In the US, an ecosystem is necessary to help navigate the complexities of innovating across 50 states with 50 different regulatory regimes.
- In Germany, ecosystems are about increasing innovation in new products and services and new business models that put the customer at the centre of the value chain.
- In LATAM, the InsurTech ecosystem is relatively new but vibrant, with around 30 new InsurTechs emerging every semester. The market is developing around two main themes of inclusion and sustainability.
- Across Europe, market players need to integrate via an API structure, which remains a challenge for some incumbents. Most of the market is still at the beginning of this journey.
- There's been a lot of talk about disruption but the market hasn't seen much genuine disruption.
- For some investors, end-to-end InsurTechs that sell insurance are more interesting than those that want to act as smaller partners in the value chain, as the former are more likely to achieve significant returns – although there was some debate about this.
- Generally, across Europe, big incumbent insurers are much more open and willing to collaborate with InsurTechs than they used to be. Where venturing projects used to take more than two years to produce a pilot program, now the same stage can be reached in just six months.

What can the industry do better to collaborate better?

- In some markets incumbents have been slow to take risks or be convinced of the benefits of collaborating with InsurTechs. There has been more progress in this regard in Europe and the US, though some scepticism remains. In LATAM, incumbents will need more convincing yet, but the potential for InsurTechs to access new emerging market segments and close the protection gap suggests that the case for collaboration will become stronger.

Discussion two: Responsible investing - building diversity, equity and inclusion within the startup business



Moderated by Janthana Kaenprakhamroy, multi-award-winning CEO of [Tapoly](#).

Diversity, equity, and inclusion (DEI) are not just moral imperatives. They have a direct impact on growth. Diversity reduces group think and makes firms more innovative and competitive.

Consumers, investors, and venture partners also increasingly look to DEI when deciding where to put their money. With this in mind, Janthana wanted to reach out to a diverse range of corporate venture firms and investors to get their take on the DEI agenda and why the worlds of insurance and venture capital are so lacking in diversity:



Emmanuel Djengue, Innovation Director, [RGAX](#) – a reinsurer that supports startup insurers with life insurance and investments.



Sam Evans, Partner, [Eos Venture Partners](#) – which specialises in investing in series A stage InsurTechs.



Stefan Lemper, Venture Capital Investor, [Maschmeyer Group](#) – which operates three VC funds in Europe and invests in startups at series A and B.



Sahil Chopra, General Partner, [Simsan Ventures](#) – which invests in early-stage deep tech and FinTech companies from pre-seed to series A, and focuses on promoting underrepresented founders where possible.

Why should we care about diversity?

- Promoting diversity is the right thing to do from a societal perspective.
- It's also great for business, because having a diverse team and divergent views ends up being great for the balance sheet.
- Diverse companies are able to offer a better customer experience.
- Diverse teams tend to come up with diverse solutions to problems.
- Right now, 70%-plus of VCs are men and only 4% of UK tech startup founders are women, so they are heavily under-represented. This is an issue that needs to be addressed.

If diversity is the way forward, why do inherent biases still exist when it comes to securing investment?

- Many groups are under-represented in the InsurTech space, within the VC space and in the insurance industry, including people of colour, women, and many others.
- Women founders often tend to do better, so investors are keen to find them where possible.
- There aren't many female founders coming to the panel members seeking investment. The consensus on the panel was that it was very difficult to find female entrepreneurs. The system needs to improve so that there are more women founders.
- According to one panel member, in their pipeline only 6% of companies have an all-female founding team, and 18% with mixed management.
- There is an inherent bias in the questions female founding teams get asked; they tend to get questions focused on risk rather than growth. This effects the amounts that get invested.

How can we make our companies more attractive to more diverse talent?

- Confidence could be one issue. Women tend not to apply for jobs unless they think they are an exact match, whereas men are more likely to take a chance.
- One of the most under-represented groups in the UK is young people, who seem to be encouraged to work longer or gain experience before investors will take them seriously. This attitude needs to change so that young people will found companies younger and take more risks with new ideas; the longer young people work in an industry the less likely it is they'll have the drive to found a business or come up with a new idea.
- Every founder needs to be able to sell their story effectively, and that includes being inclusive and open to diversity. If you talk about the importance of diversity, diverse talent is more likely to be attracted to work for you.
- It's easier to find ethnic diversity than gender diversity among founders at the moment. This feels like a societal issue that needs to be addressed. As an industry, we could do more to encourage more women to take a chance on founding their own company.

If you could give a last piece of advice to InsurTech entrepreneurs and startups, what would it be?

- Build an ESG agenda with clear goals and think about how to build that into your strategy.
- Tailor every message to investors and really sell the benefits of your company to them.
- Leverage industry networking events to meet and get to know investors. Find out how they think and what they're looking for.
- Be able to explain your startup in a few words or a sentence. What's the value proposition? What is the key benefit?

Discussion three: Attracting and retaining the best talent to drive growth



Panel moderated by Ben Johnson, AESC award winner and Managing Director and Global Head of Insurance & InsurTech, Sheffield Haworth

Growth is impossible without the right talent. At the same time, the skills and behaviours leaders need for success is continually evolving.

In this discussion, Ben wanted to speak with business leaders from across the worlds of InsurTech, insurance, and investment who have all developed cultures that attract, nurture and develop exceptional people:



Lisa Meigh, People Director, Covéa – the UK arm of the French insurer which has won several awards for diversity and inclusion and customer service, and is ranked second in the UK's list of best insurers to work for.



Tobias Taupitz, CEO & Co-Founder, Laka – the innovative cycling insurance startup.



Deana Murfitt, Chief of Staff, Flock – the fully digital insurance company for commercial motor fleets.



Sumit Bahulhandi, Founder, Darwin Insurance – a scale-up InsurTech that is fully owned by Direct Line Group.



Matthew Jones, Managing Director, Anthemis – a global platform that cultivates change in the financial system by investing in, growing, and sustaining businesses committed to resiliency, transparency, access and equity.

How important are a strong culture and a clear mission for attracting top talent?

- It's really important to have a strong sense of why you do what you do and what you want to bring to your customers. What is your why? What makes you different? Everything else can come from that.
- The talent market now is the most competitive it's been in 25 years, so a strong culture and clear mission can really help a company to stand out and attract top talent, as well as retain it.
- Culture is not an easy thing to develop, but it's worth getting it right as early as possible because it can become a positive competitive advantage that becomes hard to replicate.

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- Startups that don't think about culture early on usually come to regret it later.
 - A really strong culture and clear mission becomes a magnet for talent and investors because it offers something people can identify strongly with.
 - Developing culture is an iterative process of continuous evolution. There is no perfect end state, so it's important to get the process right.
 - It's important to hire different types of people. Don't hire in your own image.

How do you get the right balance between sector expertise and technology expertise?

- The earlier you can bring in sector expertise, the better, because:
 - Investors see this as a hygiene factor when considering who to invest in
 - They will know things the founders don't
 - Tech firms need to understand the context and the industry, and this is most often lacking at the early stage of a startup's development
- When looking for someone from the industry to fill a role, you want to ask yourself who the best person is that you've seen in that role and reach out to them.
- If you're in an InsurTech, don't treat the industry talent as outsiders; try to bring them in and teach them the tech mindset. This is the same when hiring tech talent into an insurance firm.
- This can be a difficult balance to get right, but clear communication and collaboration are the key to making it work when bringing new people into a team.
- A company's exact skills and expertise requirements will vary according to where it is in its development, so this is another iterative, evolving process.
- It's important to seek a balance, because nowadays every organisation – insurance incumbent or InsurTech – needs both.
- Consider developing talent from inside your organisation too. This can work better if they already know your culture, so it's worth having a people development strategy for this.

How have you overcome the practical challenges of evolving and growing your team over time?

- There's an important mindset shift company founders must undergo as they change focus from doing all the work to leading teams, delegating responsibilities, and allocating resources.
- The team that got you from pre-seed to series A might not be the team that gets you to series B or C, so companies need to be mentally prepared for some churn in leadership and management as they grow.
- Succession planning and developing internal talent is as important – if not more so – than external recruitment.
- You must learn what good looks like, and hire not just for skills, but also how well new hires will fit into your existing culture.
- If it's possible to do so, a controlled growth in headcount is easier to manage than a rapid increase.
- For companies experiencing rapid growth, flexibility is one of the most important traits to look for in new hires, because you need people who can adapt and grow as you do.
- It's a good strategy to always be recruiting but also to be realistic about how much time this could take up.