AN ANALYSIS OF CRUCIAL SKILLS REQUIRED IN THE MODERN WORKPLACE BY INSURANCE SECTOR EMPLOYERS

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Abstract

Purpose: The insurance industry is one of the industries that have experienced the Fourth Industrialization Revolution due to the ever-changing technology which will greatly affect the future of labour market. As a result, most insurance companies are reinventing their business and organizational strategies in order to modernize their workplace as well as acquire employers and employees with skills that can adapt to the new changes in technology. The objective of this study was to analyze the crucial skills required in the modern workplace by insurance sector employers. The aim of this study was to help the readers understand the crucial skills required by employees in the modern workplace and their importance in the insurance sector.

Methodology: A desktop literature review was used for this purpose. Relevant seminal references and journal articles for the study were identified using Google Scholar. The inclusion criteria entailed papers that were not over five years old.

Findings: Most insurance sectors aim to remain efficient and competitive in the rapidly changing global market. The challenge that affects the competitiveness and productivity of insurance sector are closely linked with the lack of the crucial skills necessary in the modern workplace. It is evident that from this review, researchers have emphasized on acquiring of various crucial skills that adapt to the ever-evolving technology in the modern workplace and specifically in the insurance sector.

Unique contribution to theory, practice and policy: The following are the recommendations were made: Insurance sectors should oftenly conduct training programs that will enable insurance providers gain essential skills that align with the evolving technology in this industry. Employers should not focus on gaining professional and technical skills only but also learn the soft skills that are essential when interacting with colleagues and customers. Insurance providers should document their work ethics to the public even if it's through the online platform.

Keywords: *Crucial Skills, Employees, Modern Workplace, Insurance Sector*

INTRODUCTION

The modern workplace has evolved overtime through the ever changing modern technology. Technology has been the driving factor that cannot be ignored when it comes to the essential skills necessary in today's workforce. A study by Akkor and Ozyukse (2020) indicated that modern technology has played a vital role in the implementation of business plans and strategies that has seen most companies remain productive and competitive. Employers that wish to thrive and remain efficient and competitive in the global market have learnt to embrace change, accept and expect that professional roles will naturally evolve alongside technology, culture and performance metrics. (Akkor & Ozyukse, 2020)

In addition, Lacity and Willcocks, (2016) stated that the modern workplace is nowadays dominated with software robots which are being used to undertake routine, rules-based service procedures that result in increased productivity. Such automation, if done correctly, can result in high-performing human-robot teams, in which software robots and human employees complement each other.

A research by Lopez-Gunn et al., (2021) reveals that the insurance sector promotes financial institutions and reduces uncertainty by providing financial resources. It is a business sector that has embraced the new changes that come up with the ever- evolving technology. However, according to a recent article by Zippa (2021), the insurance employers are still facing various problems that jeopardize its competitiveness and productivity. Cyber security, high levels of insurance technology, market competition, and inadequate management are just a few of the issues. Therefore he advocates that insurance managers, agents and brokers need to acquire the crucial skills that will enable them carryout their tasks efficiently, remain competitive and increase productivity by providing the best customer service that will make their customers comfortable and satisfied (Zippa, 2021).

Literature Review

A study by Akkor and Oyuksel, (2020) indicates that there is a wide gap between the competence of workers and the evolving qualifications required in the insurance sector. Relevant competencies are identified and categorized based on the current challenges posted by the new technologies. The automation in the insurance industry has affected the required skills and competencies of workers and increased the professional roles with high level of complexity. This causes a risk of workforce obsolescence due to immense pace of business transformation. Further Obrella (2021) explains that the insurance sector has also experienced this immense business transformation in the qualifications of the insurance underwriters, sales/ brokers, claims and financial planners. Aside from providing risk management services, the insurance sector covers the expenses of underwriting and also invest to recoup underwriting losses. Underwriting fees mainly involves the cost of running an insurance company where the money is used to cater for employees salaries, pay taxes, state fees and performing background checks on potential customers.

Mwangi (2017) defines underwriting guidelines as the requirements and instructions that insurers provide to their agents and underwriters. The underwriting guidelines help the insurers set the

criteria for customers, provide timely resolution of customers inquires and enable customers to make right decisions. He therefore suggest underwriting guidelines as an essential professional skill that insurance employers should have to enable them run their companies efficiently and improve the overall financial performance.

A study by Grant-Smith and McDonald (2016) explores some of the pre-graduation professional work experiences of young planners in Australia, this is as a result of the changing employment expectations in the insurance sector. The findings of this study indicated that excellent mathematical skills and being keen to details is another professional skill that is essential in the insurance sector. Some of the insurance roles are mathematically demanding than others, they involve mathematical calculations and analysis that requires one to be keen to every detail in order to avoid making errors. Sales/ brokers, claim handlers and financial planners in this sector need to be perfect and comfortable with experimental techniques in statistics and computer programming.

In addition, Malik and Kanwal (2018) describes organizational skills as the skills that are supposed to be an integral part of every employer professionalism. The insurance sector just like any other service-based organization deals with a large number of customers and clients hence it's important that they keep their records and database organized. This will help them protect private and confidential information of customers, easily retract information whenever it's needed and save the company time and money. Time management is an organizational skill that help employees evaluate their performance and the performance of their employees. The evaluation helps to determine the efficiency of service delivery and the productivity of the company. This skill is developed and instilled overtime as one works and objectively perform tasks in a timely manner in order to meet the set deadlines and not delay their customers.

Van Aken and Berends (2018) describe problem-solving skills as key element that needs to be incorporated in any business or management programme so as to provide to employers, creative solutions to the problems they come across when dealing with their clients. Some of the problem-solving skills he suggested include: Being open-minded, be creative, ask the right questions, be analytical and have the right attitude. Employers may gain these skills through conducting various training programs and learning during their job tenure.

A research by Alison (2021) tries to different between soft skills and technical skills which are both essential in the modern workplace. Soft skills are the interpersonal attributes that you develop when you interact with people in the workplace. They have become essential skills that employers should have in order to interact with their employees and customers and the key factors that employers look out for when deciding to retain or promote an employee. Soft skills differ from technical skills since technical skills are easier to learn that soft skills. Technical skills are abilities and knowledge needed to perform specific tasks. They are practical, can be taught in a classroom and can be defined, evaluated and measured. Both can be acquired in an education setup as well as through the various training programmes that organizations organize for their employers and employees. HR managers have also noticed that managers may choose to hire and retain employees with excellent soft skills over technical skill

Succi and Canovi (2020) identifies some of the crucial soft skills that employers need to have especially those in the finance, insurance, consulting firms, IT, media and digital industry.

Communication skills are the skills that enable one to communicate effectively to supervisors, staff members and customers in the workplace. For one to communicate effectively, they should be good listeners, correctly use non-verbal communications and verbal communications, have clarity and concision, show respect and friendliness and provide feedback.

An article by Succi and Wieandt, (2019) indicates that effective communication in the insurance sector helps to build strong relationships and ensures that customers fully understand the product and the process. Some of the challenges that has led to ineffective communication in the insurance sector include; Insurers focus more on sale of their products than establishing a long-term relationship with their customers and use of inappropriate communication strategies. To solve this problem, insurance providers should change from product to customer focus, understand their customer needs and come up with appropriate communication strategies to consistently delivery information to customers.

Adaptability has become one of the sort out skills due to the ever evolving technologies. It involves ones ability to be flexible, able to positively accept change at work and able to try new things at work and handle different workflows, this is according Succi and Canovi (2020). Leaders who possess this attribute are said to be motivated, not easily discouraged and are more creative when handling unusual circumstances with no explicit instructions. This is skill is developed and nurtured through trying new tasks and challenging ones ability to solve problems in different circumstances. Adaptability also requires a number of other soft skills in order to be applied successfully. They include; critical thinking, creativity, resilience, being innovative and managing expectations. (Alison, 2019)

A study by Senge, (2017) describes leadership skills as the unique attributes that leaders demonstrate working with colleagues and staff in the workplace. Some of the leadership skills that employers need to have include; Passion, Optimism, Team building through coaching, delegation, motivation, strategic planning, emotional intelligence, decision-making etc In the Insurance sector, employers can learn these skills through attending various leadership training programs that teach on cost effective development initiatives to manage the rapidly changing sector. (Senge, 2017)

Siviş (2021) describes work ethics as the ability to maintain moral values in the workplace. It constitutes a set of values that are centered on the importance of doing work and performing duties with high moral standards. Work ethics has become one of the driving factors that contribute to workplace productivity. Some of the key traits that leaders should possess in a good work ethic environment include; Dependability, Independence, Integrity, honesty, dedication and determination. According to a survey by (Business insurance, 2015) majority of people (over 90%) in insurance and risk management believed that the insurance industry is largely ethical while 55% claimed that the public considers the insurance industry as largely unethical. The major problem faced by insurance companies under this skill is biasness of information to the public. Some of the important information on work ethics in insurance companies isn't published and disclosed to the public resulting to customers concluding that the industry is unethically biased towards them.

According to Zippia (2021), the coding list are at the top list of most job postings, followed by data analysis and social media. This was based on an analysis of over 3 million job posting.

Some of this skills include; SQL, Python, Java, Facebook, LinkedIn, Network Security, Servers, HTML, Twitter, JavaScript, SAS, SPARK etc. Coding and Programming skills involve ones ability to code and understand multiple programming languages. This skill is usually sort out in IT jobs and as most companies have embraced technology, managers have set apart IT and ICT departments to enable them run their computerized business activities. The technical support staff in companies maintain computer systems, ensure that they run smoothly and fix problems as they arise. They also maintain record of software licensing, re-stocking equipment and stay updated on the current developments in technology. Technical support staff need to also have interpersonal skills that will enable them to effectively communicate with their colleagues and customers. This is especially when staff members and customers are experiencing technical problems with the online platforms.

Furthermore, a research by Burke and Maceli (2020) has indicated that this skill is commonly used by health information technicians to assign codes to information extracted from medical records. Insurance coding specialists use special classification software to assign codes to written records for reimbursement from insurance companies or for patient data analysis. They will also be involved in interacting with healthcare professionals and sometimes serve as a liaison between doctors and the insurance company or government reimbursement departments.

Social Media Marketing & Digital Marketing skills are often referred to as content marketing skills and are useful in the marketing, web development and any other field that is related to digital marketing. Some of the essential skills that managers sought out for under digital marketing include; networking, Content Management Systems, Digital photography, automated marketing software, web analytics etc., This skill is crucial in the insurance sector since it helps in creating a comprehensive & performance driven website, cohesive brand message channels, build thought leadership through content marketing and engage customers actively on social media (Raman, 2018).

Alison (2020) defines data & analytical skills as the skills that enable one to collect and analyze information, problem-solve and make decisions. Analytical skills are used when detecting patterns, brainstorming, observing, interpreting data, integrating new information, theorizing and making decisions. Most companies today rely on data and have resorted to keeping their records in form of files and databases. This has enabled companies to easily retrieve important information whenever it's needed. Some of the important data & analytical skills that manager sort for include; Reporting, ability to conduct presentations, SWOT analysis, Quantitative and Qualitative analysis, Financial analysis, Descriptive analysis etc (Alison,2019)

As per a recent Worldwide Analytics Spending Guide by IDC, businesses spent $ 187 billion on data analytics in 2019. Faheem (2020) describes the insurance industry as a data- driven industry and only the companies that are able to convert their data into useful insights can remain competitive and productive in the market. Hence insurance data analytics skills are important since they help insurers to enhance the brand value of the company by improving customer satisfaction, reducing fraudulent cases, predict accurate risk for underwriting and promote business growth.

Project management is a unique skills that is widely used in most companies when undertaking various projects of the company. According to Currier, Mirza and Downing (2017) project

management is considered to be more of a soft skill than a technical skill. The soft skills of project management enables a project manager get the best out of the team he/she is working with, create harmonious relationships across departments and ensure there is smooth running of projects. Some of the project management skills that every project manager should have include; benchmarking, budget planning, project planning, task delegation, task management, engineering, performance review etc. Andreas (2016) study indicates that insurance companies have embraced smarter project management practices while remaining flexible to adapt those practices to demand. Some of the best project management practices for implementation of projects in the insurance industry include: Keep projects on track, keep project management methods simple, keep the project management as dynamic as the processes etc.

CONCLUSIONS

Most insurance sectors aim to remain efficient and competitive in the rapidly changing global market. The challenge that affect the competitiveness and productivity of insurance sector are closely linked with the lack of the crucial skills necessary in the modern workplace. It is evident that from this review, researchers have emphasized on acquiring of various crucial skills that adapt to the ever-evolving technology in the modern workplace and specifically in the insurance sector. It is not enough for employers in the insurance sector to have professional and technical skills. They also need to have soft skills since in their day to day activities as they interact with people and leadership skills that enable them to stand out, protect the brand value of the company and promote teamwork and effective service delivery within the insurance sector. Finally as managers undertake different projects, they should embrace smarter project management practices such as keeping projects on track, keeping project management as dynamic as the process and simple. These practices will enable them remain flexible to changes and be able to implement their projects.

RECOMMENDATIONS

The following are the recommendations were made: Insurance sectors should oftenly conduct training programs that will enable insurance providers gain essential skills that align with the evolving technology in this industry. Employers should not focus on gaining professional and technical skills only but also learn the soft skills that are essential when interacting with colleagues and customers. Insurance providers should document their work ethics to the public even if it's through the online platform. Use of social media & digital marketing skills will enable employers to reach out to most of their customers, consistently engage their customers and build strong long- term relationships. Insurance providers should be flexible, able to positively adapt to change as technology rapidly evolves. Employers should also look out for these essentials skills when the employ new employees in the company and when they wish to promote or retain their employees.

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