

***POST CONSOLIDATION CHALLENGES
AND CHANGE MANAGEMENT IN THE
INSURANCE INDUSTRY***

Recognizing the need for change management confirms that there are some things that needs to be changed in the industry

So, my first task is to identify the post-consolidation challenges and the things that need to be changed in the industry to ensure short, medium and long-term operational efficiency

These include:

- Well articulated vision and mission statements for the new entities in line with emerging competition in the industry
- Coherent Corporate Governance and organization structure framework
- Establishment of world class strategic alliances which will bring the benefit of product, knowledge and capacity enhancement

- Industry Brand perception and enhancement of brand Equity Resolution of these will private more business
- Building and sustaining shareholder and stakeholder values over time
- Improvement in lateral, horizontal and spatial direction of the growth Insurance Industry

- Sub-optional utilization of expanded capital in order to ensure effective returns on investment and stakeholder value
- Need for self motivate continuous expansion of capital base, rather than regulation induced changes
- Possibility of post-consolidation mergers and acquisition to expand capacity and accelerate regional and international expansion

- Management challenges, including
 - Competent and visionary leadership
 - New HR and Organizational Strategies to unlock hidden potentials
 - managing staff attrition and creating new value propositions to attract and retain staff

- Need for aggressive product development, industry specialization and new business models and niches
- New marketing and customer service strategies to address the aggressive marketing that will be required in the post-consolidation era
- Encroachment of Banks into the Insurance Industry and the inherent challenges, particularly compaction for capital
- Inevitable effect of globalization including new global and regional entrants into the industry

WHY MUST WE CHANGE AND THE FUTURE

I will like to borrow the quotation delivered at a recent c industrial conference

- No-one moves forward by moving backwards
- Standing still in a fast moving world, is moving backward
- Moving forward, when competition is moving faster and moving backwards

WHY IS CHANGE MANAGEMENT IMPORTANT

- Change is not easy to effect
- Organization and people are most times, prisoners of habit
- Effective change requires a paradigm shift and these paradigms are often not well understood
- The change process is usually not well managed losing it's value proposition

BASIC CHANGE MANAGEMENT MODELS

- Periodic analysis of the business to create a short, medium and far out plans (10 years)
- Periodic Environment scans and research to track factors exerting pressure on the business
- Periodic department, division and company wide retreat to identify changing variables and parameters

- Periodic skills and product and performance gap analysis
- Creating the establishing environment and incentives to engender employee induced changes

Thank You

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