

Technology Leadership Insights

Insurance Deep Dive

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Viewed historically as a cost centre and an outsourceable utility, a company's technology capabilities are increasingly viewed by insurance business leaders as critical enablers of business strategy, necessary for rapid scaling, unlocking new revenue streams, eliminating inefficiency and operating in an increasingly complex regulatory environment.

There is an acute need for businesses to reposition technology alongside other strategic functions to bring fresh thinking into how their technology capability is organised and led. To do this successfully, businesses will require exceptional talent.

We analysed the state of technology leadership across the UK insurance sector from the perspectives of executive positioning, gender equity, tenure and technology leadership pathway. Our research encompassed Chief Information and Chief Technology Officers from over 50 insurance companies spanning the life, general insurance, wholesale and broker sectors.

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Key Findings



Positioning

35% of companies in our sample have appointed technology leaders to the executive committee, evidence that leaders increasingly recognise the importance of technology alongside other strategic functions.



Gender Equity

Women continue to be significantly underrepresented in senior technology leadership positions across the industry. Only 15% of technology leaders in our sample set are women.



Tenure

We observed a healthy rotation in technology leadership positions. The average tenure of technology leaders was just over three years.



Leadership Pathway

We noted that 54% of appointments were from within the insurance sector and overall 21% represented internal promotions.

Anecdotally, we observed an increasing number of technology leaders moving into broader operational leadership roles.

Priorities for 2023

Recurring themes from technology leaders

- Extend data and digital capabilities further into business product and service propositions.
- Accelerate the shift of core processing to the cloud, enabled by upcoming release of next generation platforms.
- Accelerate migration to new platforms through rapid, modular development on a product-by-product basis.
- Create operational simplification through business and technology architecture alignment.
- Increase the ease of doing business with an expanding partner ecosystem, focused on simplification and ease of access of the orchestration layer.

Implications on technology operating models, culture and leadership

- Provide technology leaders with leadership opportunities across the business to gain the commercial and operational experience required to contribute more effectively as part of the executive committee.
- Shift the mindset of technologists and the wider business to rapid, iterative design and deployment sprints, which are often counter to the culture of risk management.
- Reinvest in in-house strategic technology capabilities (e.g. data, engineering and security) while also accelerating the shift of commodity IT capabilities to third parties.

Positioning

35% of companies in our sample set have appointed technology leaders to the executive committee.

We observed that mutual insurance firms had the highest proportion of technology leaders on the executive committee at 57%. Private equity-backed businesses had the lowest proportion at 25%.

We observed a significant disparity between sectors.

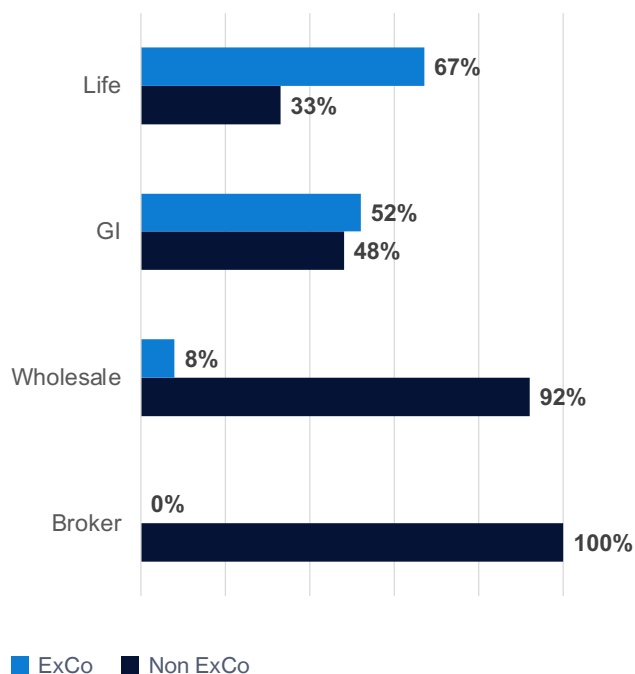
In general insurance, 52% of companies had a technology leader as a member of the executive committee, rising to 67% in life companies. In contrast, there were no technology leaders on executive committees in our sample of brokers.

Implications

Insurance companies increasingly recognise the importance of technology in shaping and delivering business strategy alongside other strategic functions. They look to technology leaders to contribute across the business.

Challenge to leadership: What opportunities exist to expose up-and-coming technology leaders to broader commercial and operational leadership?

Technology Leaders Appointed to ExCo



Gender Equity

Only 15% of technology leaders in our sample set are women. This dropped further to 10% when looking at life insurance companies in isolation. In 2022, 20% of appointments made were female.

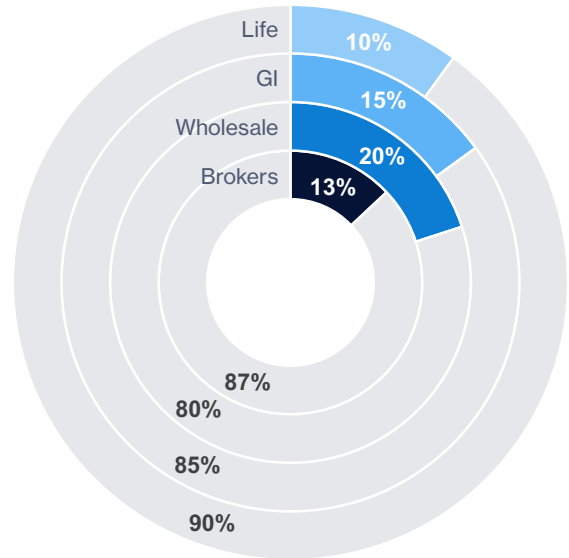
The highest proportion of female technology leaders was recorded in mutual insurance companies at 33%, followed by private equity-backed businesses where 11% of technology leaders are female. Limited company structures represented the lowest proportion at 10%.

Implications

Female leaders continue to be significantly underrepresented in senior technology leadership positions across the industry. This represents a missed opportunity to benefit from high-performing talent and to establish role models to inspire the next generation of female technology leaders.

Challenge to leadership: What obstacles, both real and perceived, can insurance leaders remove in order to promote and appoint women into senior technology leadership positions?

Proportion of Female Technology Leaders by Segment



Female ■ Life ■ GI ■ Wholesale ■ Brokers
Male ■



Tenure

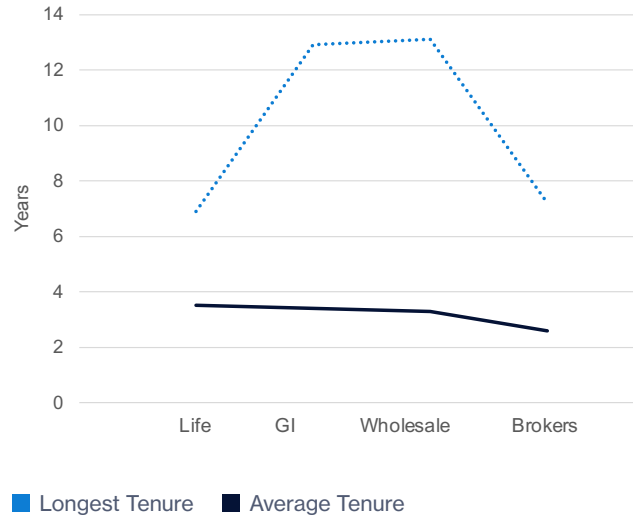
The average tenure of technology leaders is 3.3 years. We observed a healthy rotation in technology leadership positions with 25% of technology leaders in our sample appointed in 2022.

Implications

Fresh thinking and new ways of working are increasingly valued by leading organisations, highlighting the importance of continuous succession planning.

Challenge to leadership: Where would a more strategic and commercially savvy technology leader help unlock additional value and reposition technology as a strategic driver of business performance?

Technology Leader Tenure



Leadership Pathway

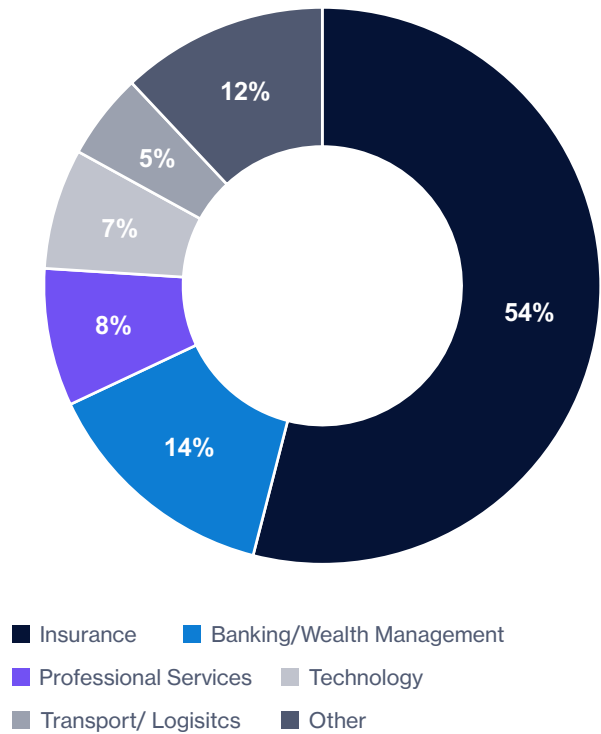
54% of appointments were from within the insurance sector and 21% represented internal promotions. Technology leaders from broader financial services sectors represented the next most common background, followed by professional services.

Implications

There is a missed opportunity to tap into the experience of technology leaders from other sectors, many of whom have already gone through significant disruption, as sources of innovation and differentiation in the market.

Challenge to leadership: What assumptions and widely held beliefs can be challenged regarding the experience and background required of technology leaders to be impactful in the insurance industry?

Leadership Pathway by Industry



Methodology

This report is based on a sample set of 51 insurance companies spanning life, general insurance, wholesale and broker sectors, with a combined total of 60+ Chief information and Chief Technology Officers. The following data sources were used in the development of this report: [Teneo CEO and Investor Outlook Survey 2023](#), BoardEx, LinkedIn and individual company websites.

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