



# GJENSIDIGE

Unleashing growth through an agile workspace



*Danielle*



*Celine*



*Antoine*



*Rami*



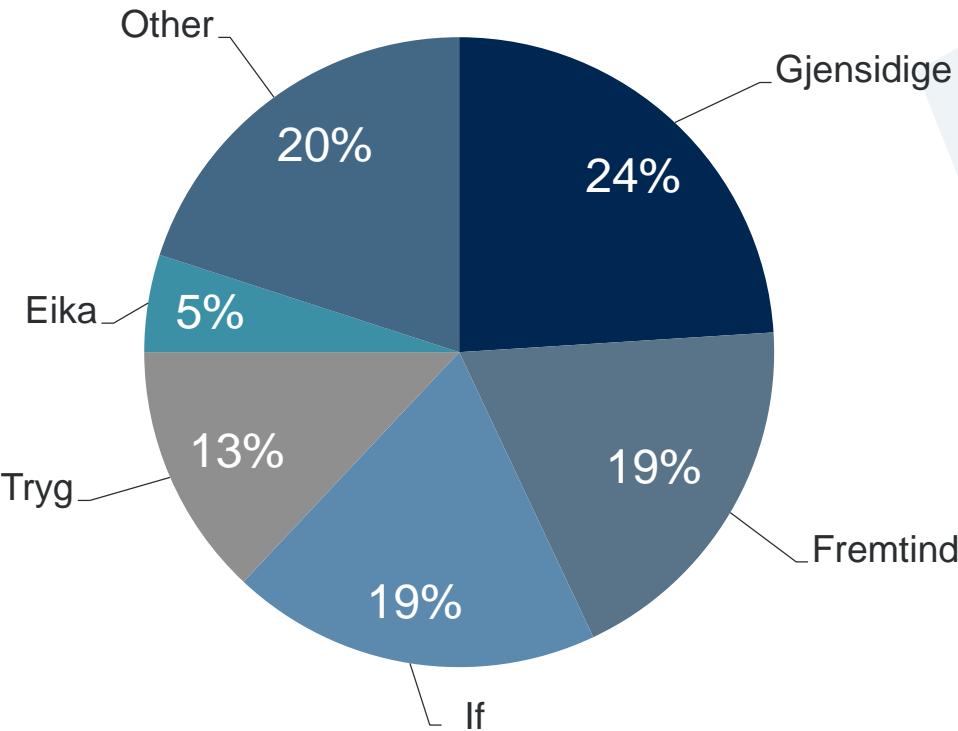
**Phoenix Consulting**

# Your company has been the market leader fueled by high customer satisfaction and low turnover

## Situation Overview

### Market Share

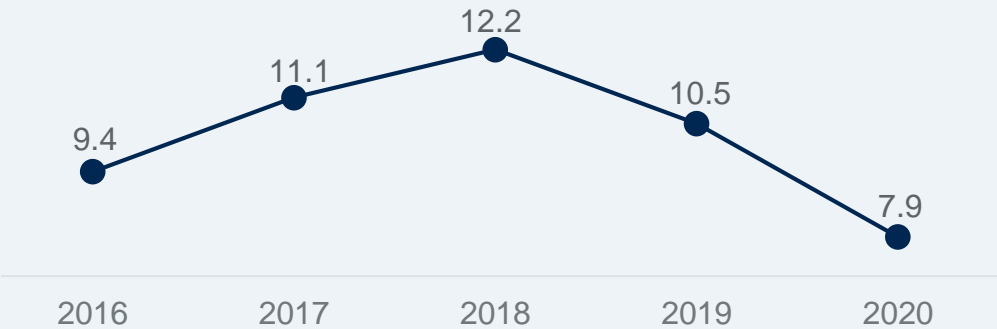
General private insurance providers market share in Norway



### Customer Satisfaction



### Employee Turnover



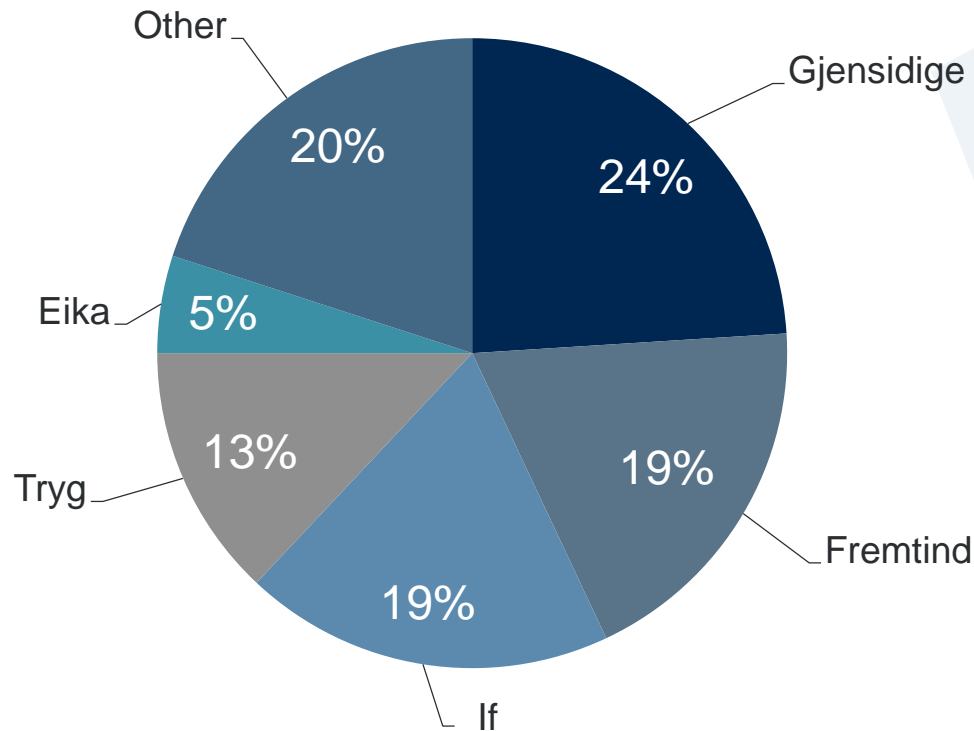
Source: 2020 Annual Report, Case Handbook, Team analysis

# An agile working infrastructure has been identified as the next means to stay innovative

## Situation Overview

### Market Share

General private insurance providers market share in Norway



## Characteristics of agile working



### Flexibility

Allow to work when, where, and how they like



### Autonomy

Employees are trusted with the flexibility to reach goals



### Focus on activity

Spotlight the work being done instead of method or location



### Focus on outcome

Unify target outcomes for agile working groups to work on

overcome



overcome



Shock events



Rapid change



Dynamic markets

Source: Case Handbook, Team analysis

# The following challenges should be tackled to successfully implement an agile structure

## Challenges

1

### New technological advancements

*Agile teams should have an infrastructure to efficiently leverage new tech developments*

2

### Dynamic & evolving customer demands

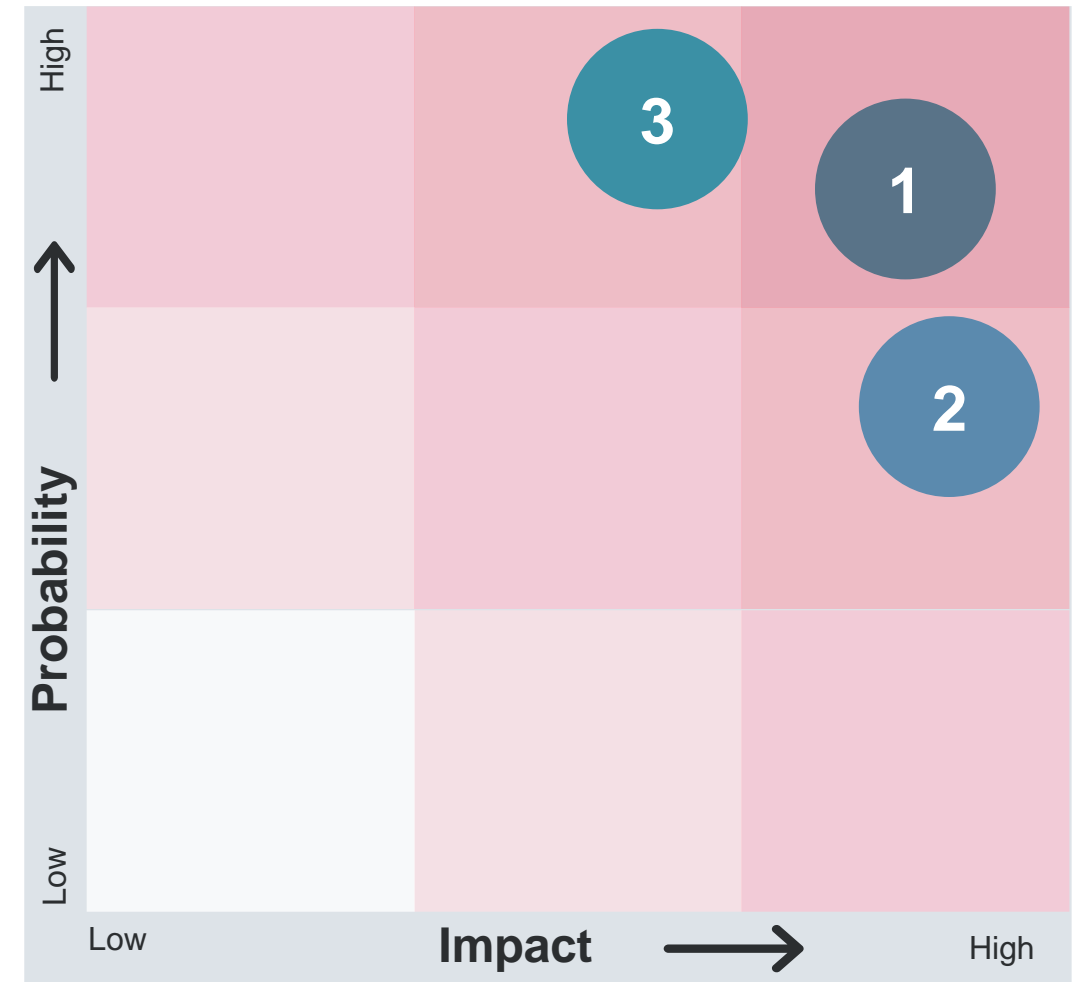
*Customer demands are always evolving and your teams need access to real time data to assess new demands*

3

### Hierarchical decision making

*Decision making is currently still centralized towards top managers despite the need to innovate*

## Heat Map



*The Key Question is...*

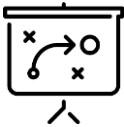
*How can Gjensidige advance its agile workplace  
to adapt to customer & employee needs?*

**? How can Gjensidige advance its agile workplace to adapt to customer & employee needs?**



Complications

- New Technological Developments
- Dynamic & Developing Customer Demands
- Hierarchical Decision Making



Strategy

- Immerse**  
*Digitize the customer journey further and reduce pain points through paperless automated solutions*
- Drive**  
*Enable innovation by leveraging your data to find opportunities and create a scalable innovation hub*



KPIs by **2024**

- Increase Operating Income by a CAGR rate of 10.94%
- Achieve a Net Promoter Score (NPS) of 36
- Boost Employee Engagement Score by 0.7 points

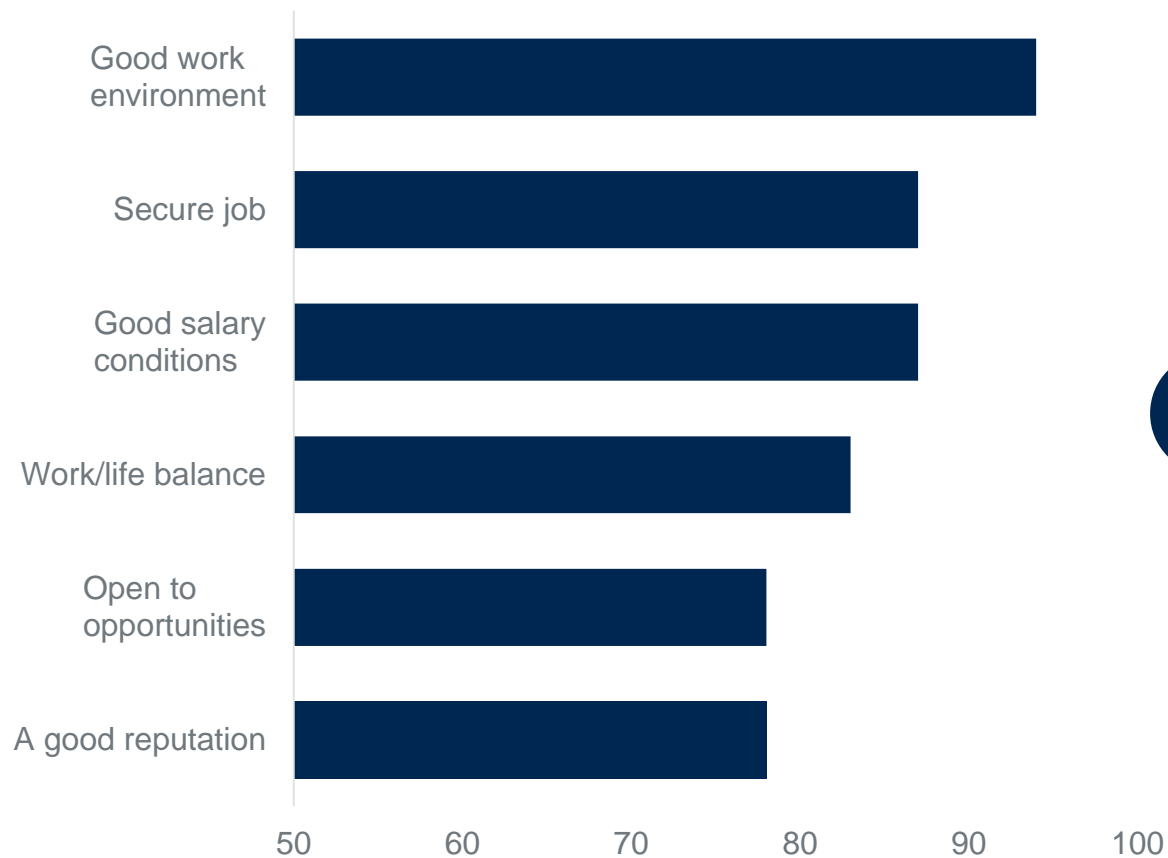
# ***Analysis***

# Across Norway, younger generations seek greater advancement opportunities and work-life balance

## Workforce Analysis

### With much expectations for balance and advancement...

*Most attractive factors in employers for youth (%)*



### ...insurance industry may push young graduates away

*Average actual weekly working hours in Norway (2020)*

5<sup>th</sup>

## Highest work-hour industry

With **35.9 actual working hours** per week, the insurance industry ranks **fifth** in Norway – **reducing work-life balance** in contrast to other fields





Source: World Bank Data Bank (2021), Statista (2020)



# Zooming into Gjensidige's first step to agile, it marks a shift away from the traditional workspace...

## Company Analysis

### Agile workplace has transformed Gjensidige...

-  Constant **self-reflection** and **empowerment** of employees
-  Faster development of **new products and time-to-market**
-  **Adapting** faster to rapidly shifting **consumer demands**
-  Direct **face-to-face communication** among **cross-functional** members



### ...though certain obstacles still lay ahead

*Organizational Resistance*

Certain employees prefer **traditional** hierarchal structure

*Unclear Priorities*

Need for further **decentralized decision-making** for agility





*Volatile Consumer Behavior*

**Rapid data inflow** across various touchpoints with shifting **behavior**

# ...though this is justified by the major benefits of the flat organizational structure

## Company Analysis

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-  **Adapting** faster to rapidly shifting **consumer demands**
-  Direct **face-to-face communication** among **cross-functional** members



### ...and it carries major benefits to performance



#### Customer Satisfaction

Increased in **customer satisfaction** by ~30% due to **agility**



#### Productivity Rate

20% greater value-add per employee per hour due to **efficiency**



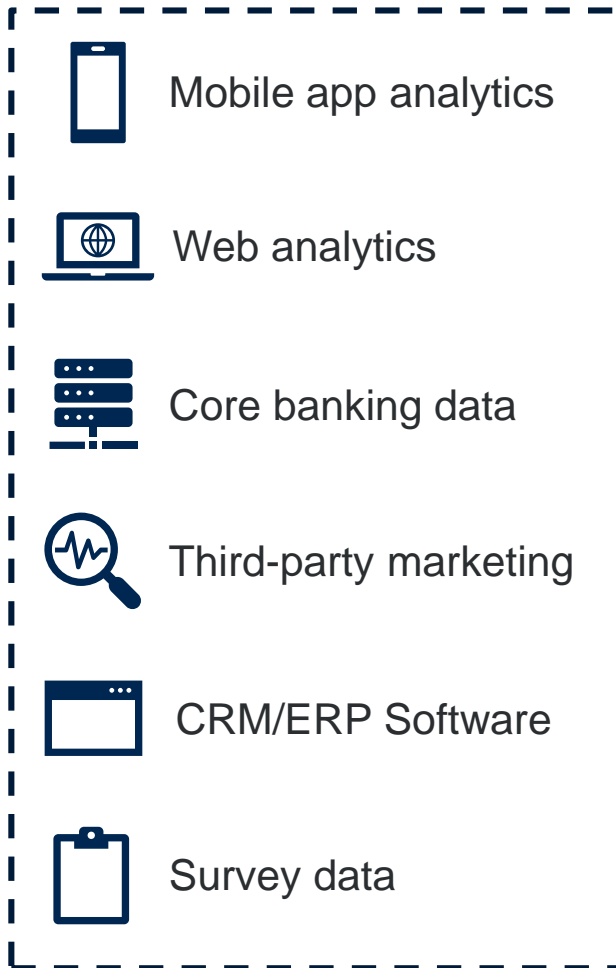
#### Time-to-Market

Faster project deployment with **5-7x reduction in time-to-market**

# On a technical level, with multiple data sources, Gjensidige has a robust data infrastructure to leverage...

## Data Infrastructure Analysis

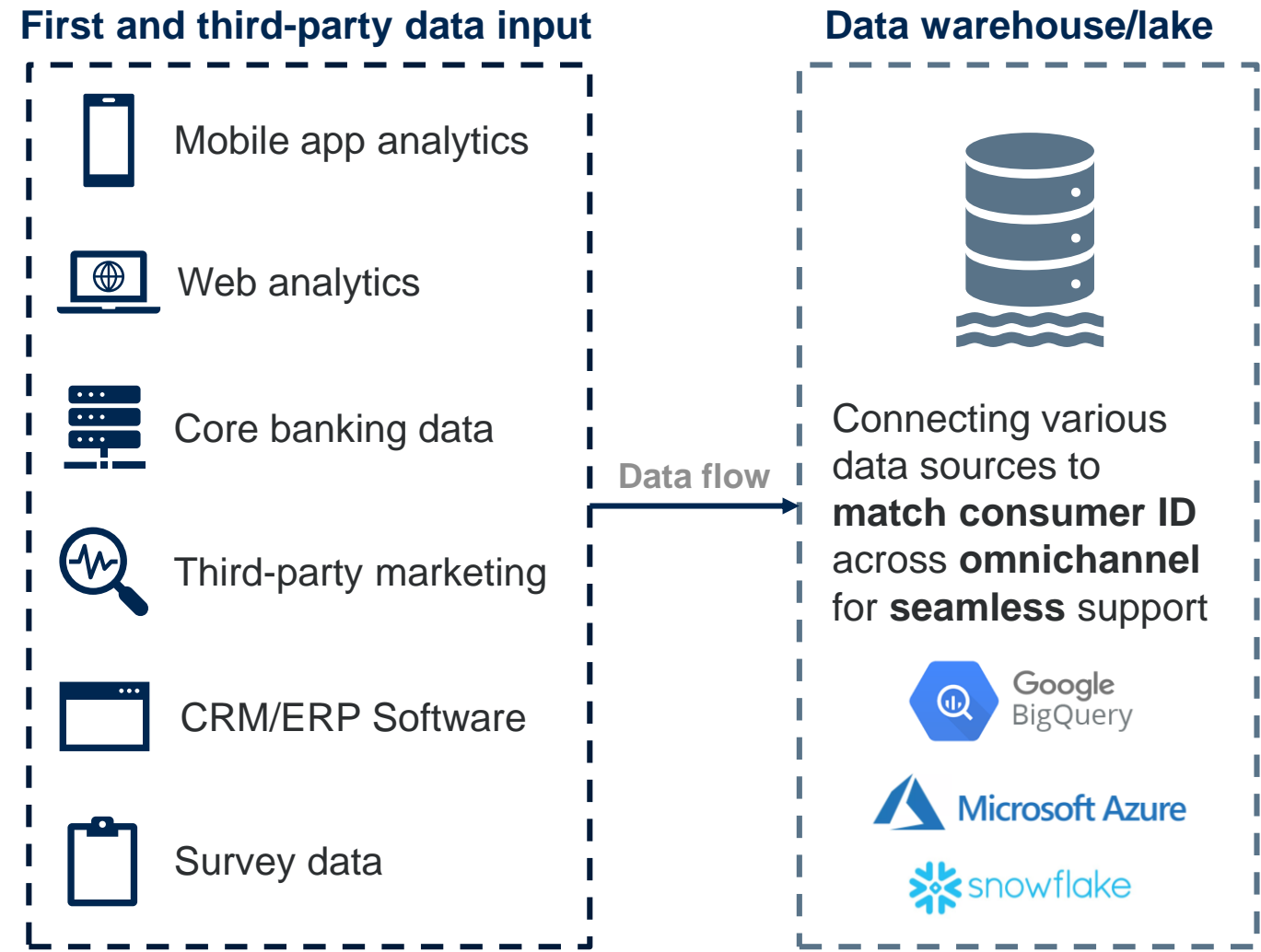
### First and third-party data input



Source: Team analysis

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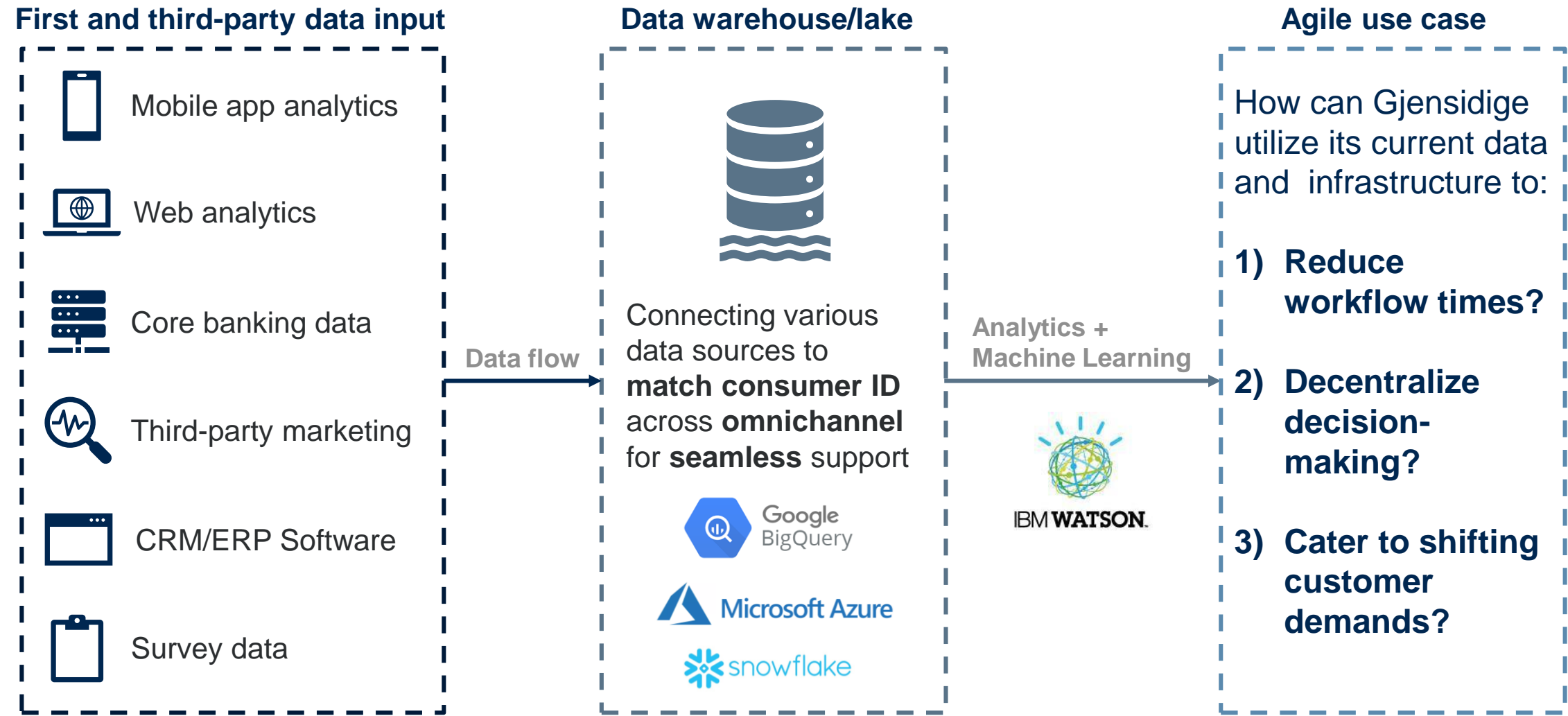


Source: Team analysis, Capgemini report (2016)

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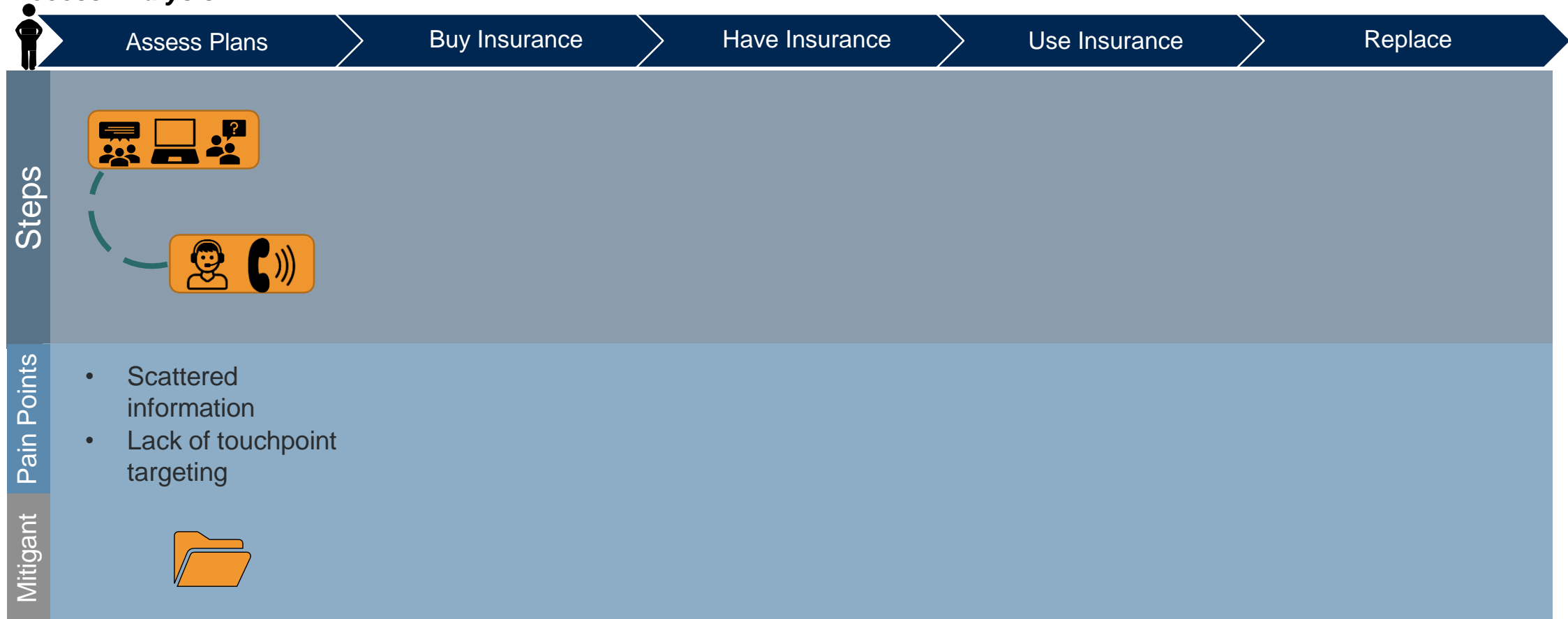
## Data Infrastructure Analysis



Source: Team analysis, Capgemini report (2016)

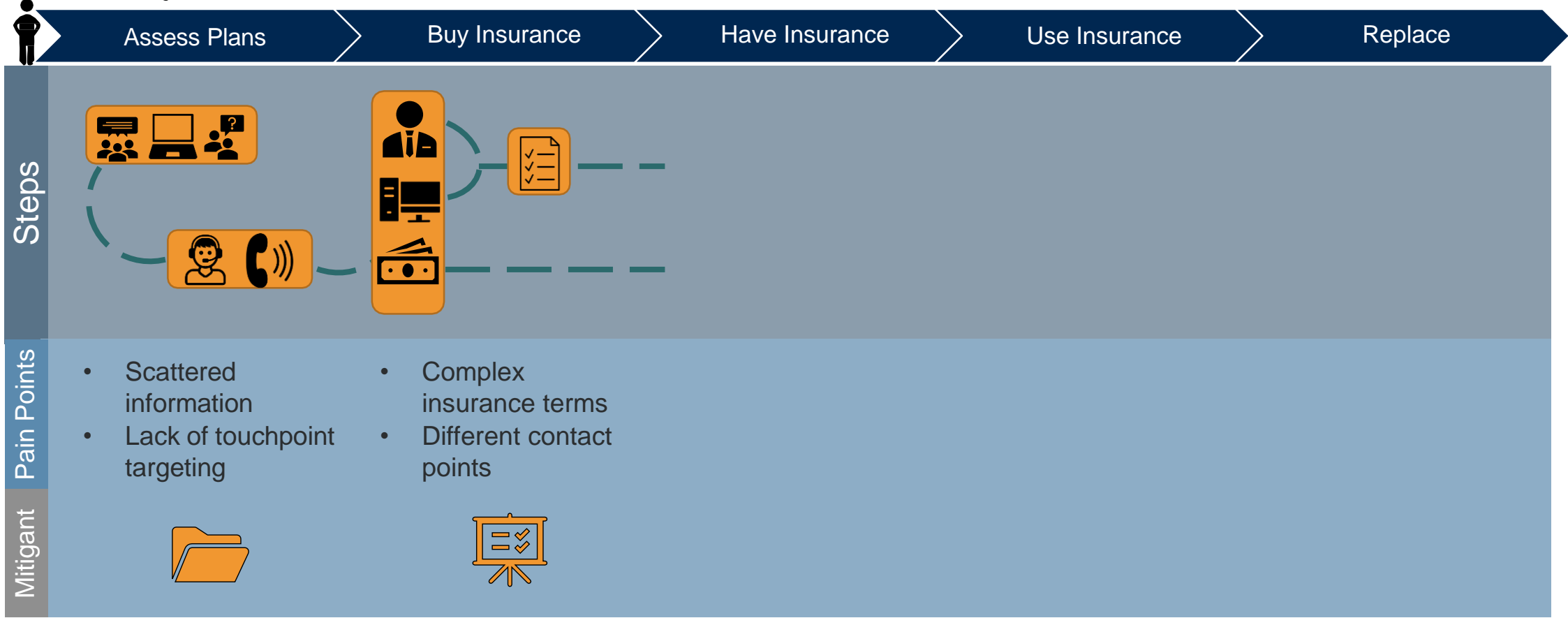
# To dig into the root of serving customers, it is essential to examine the customer journey, starting with assessment...

## Process Analysis



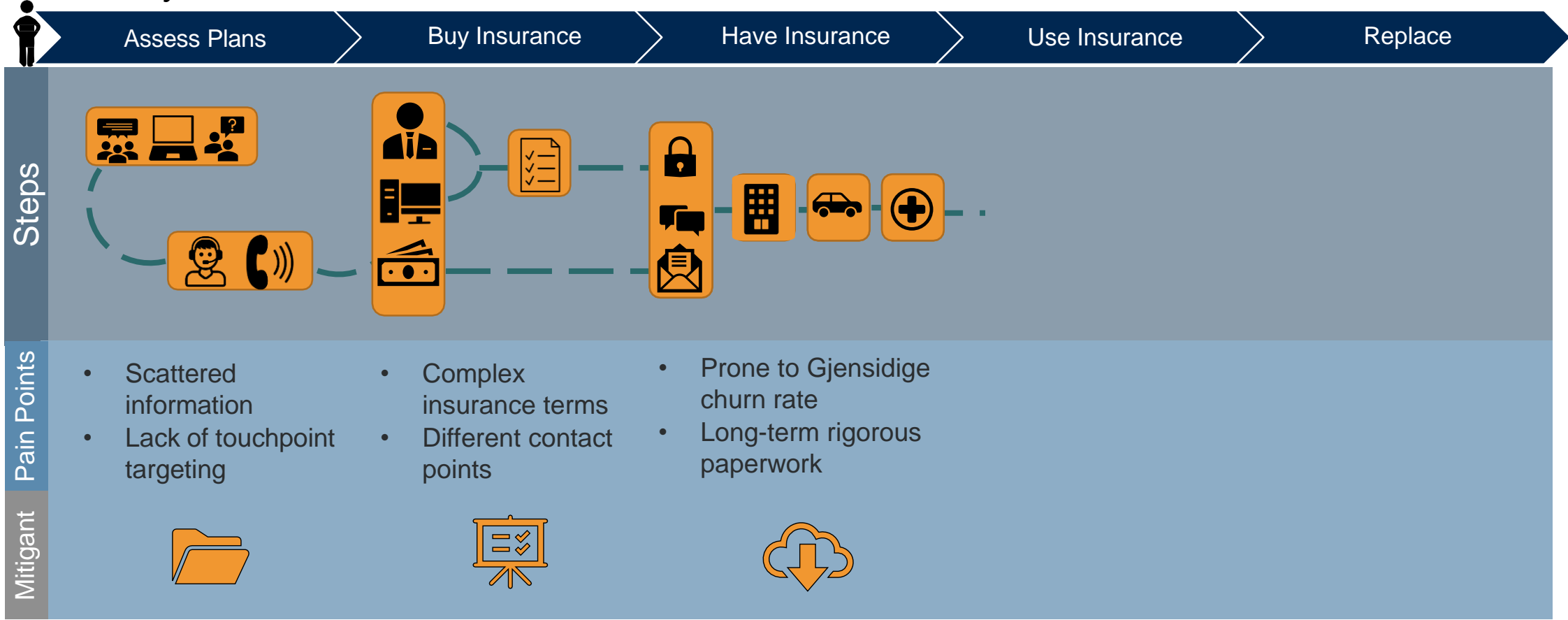
# ...while the process of buying insurance may be overcomplicated...

## Process Analysis



# ...and the client-nurture relationship may be affected by Gjensidige's churn rate...

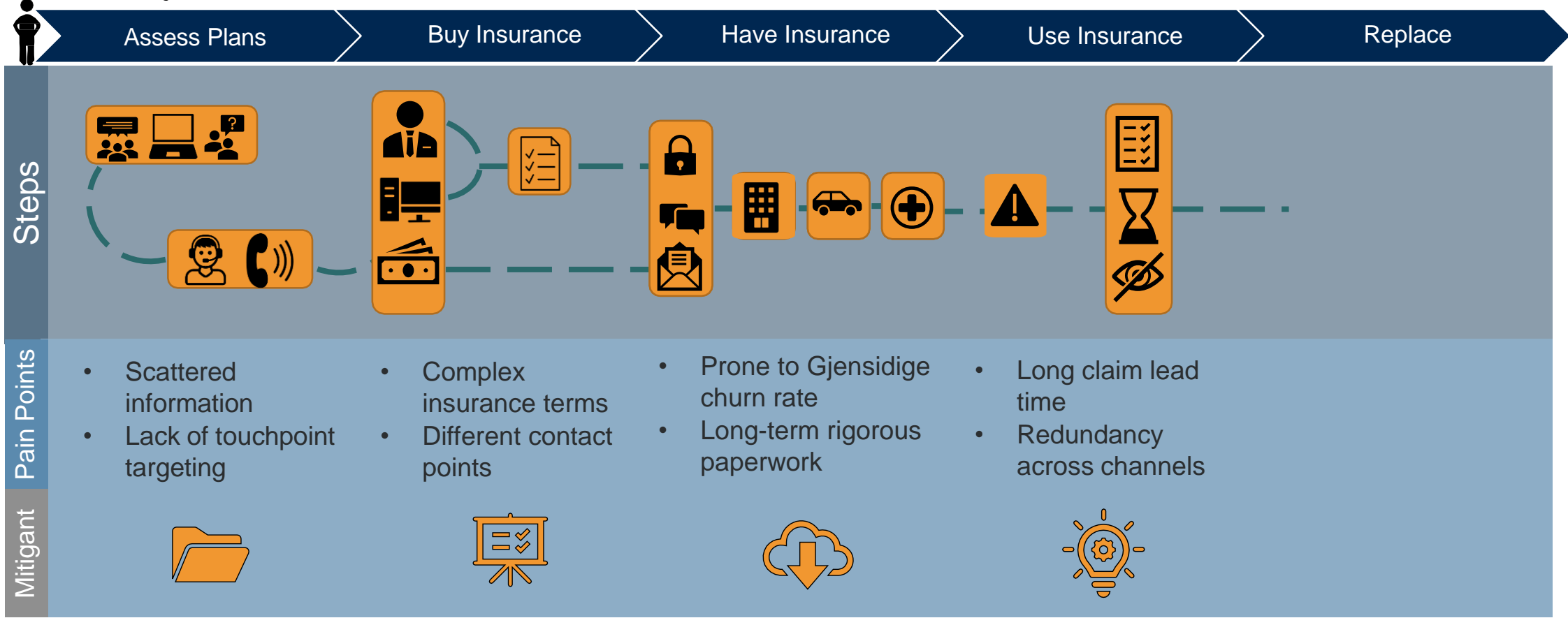
## Process Analysis





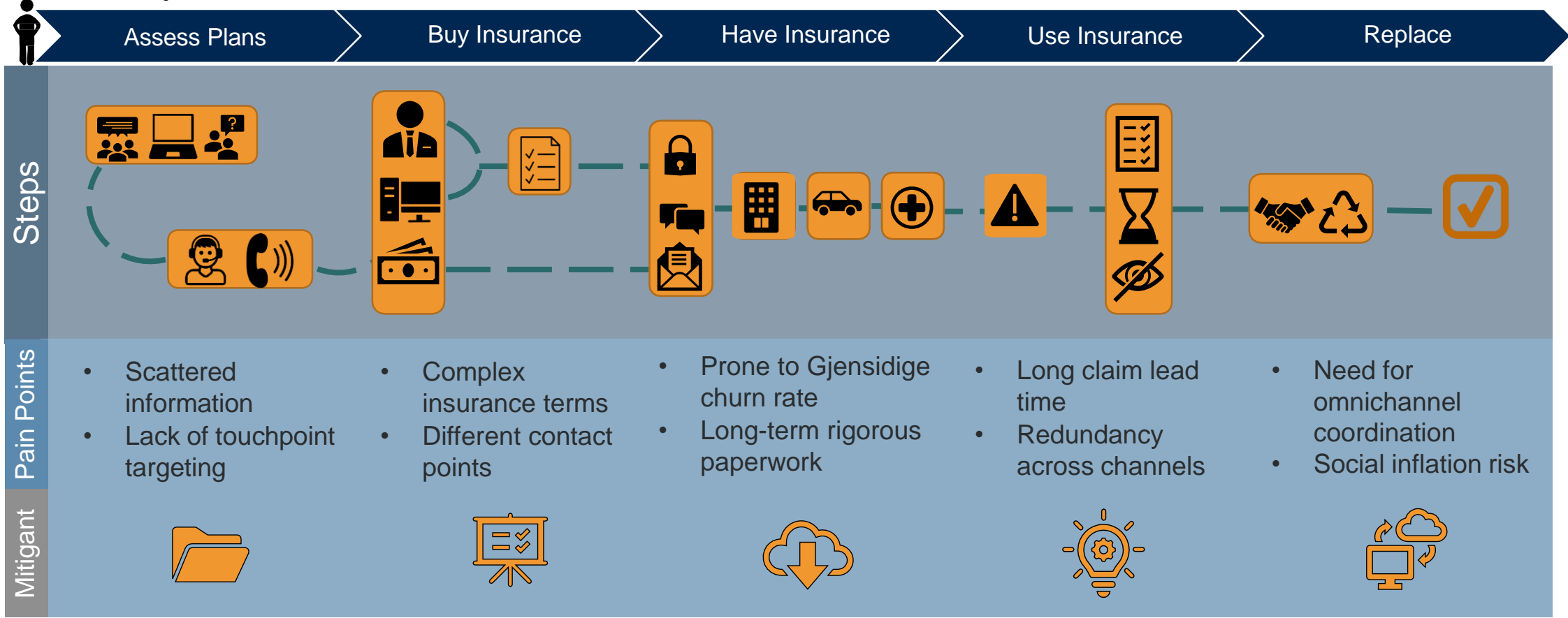
...whereas the long claim time and redundancy across channels indicate a potential for further omni-development...

Process Analysis



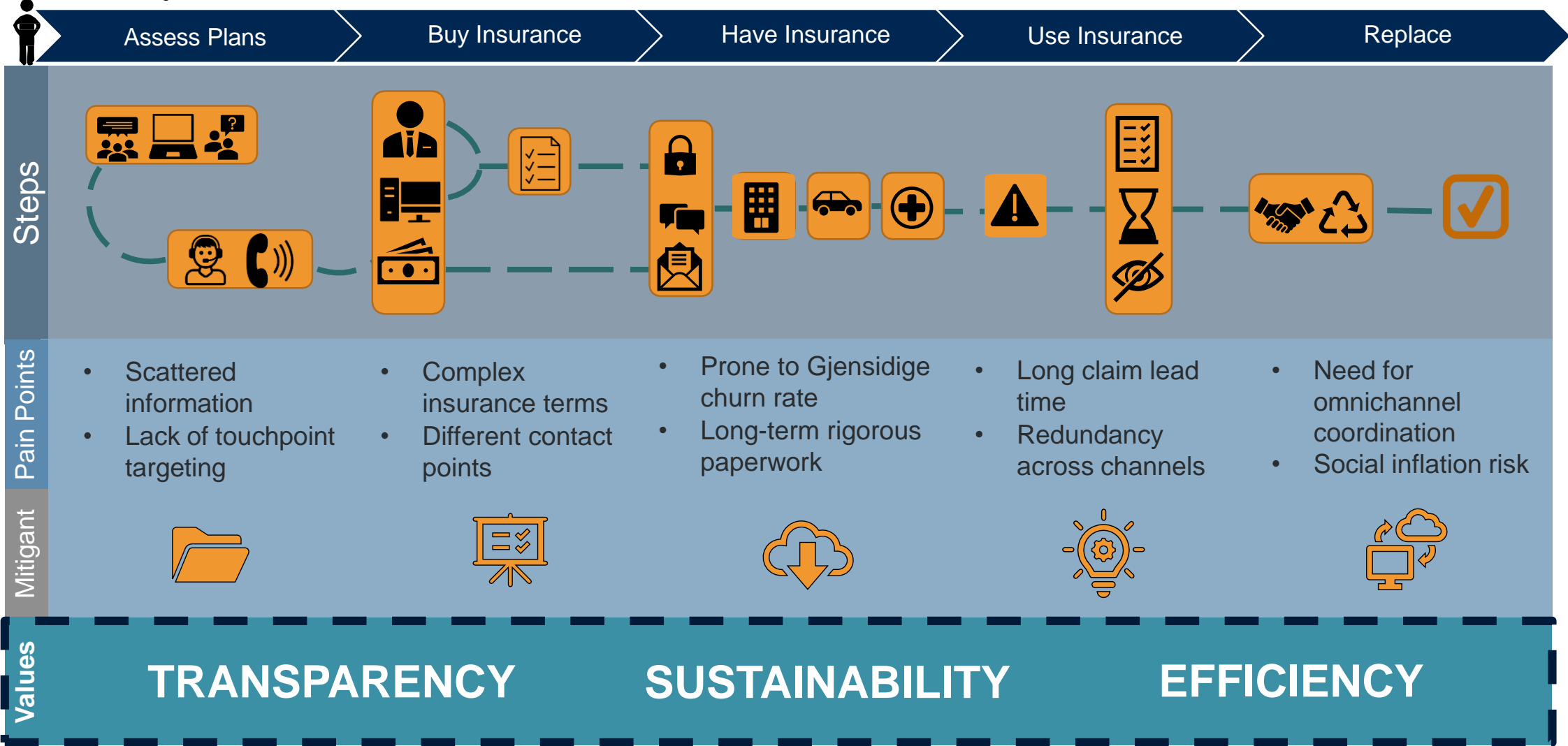
# ...concluding with the ultimate need for omnichannel resourcefulness in the renewal cycle

## Process Analysis



# Throughout all this process, three key customer values were identified to focus on

## Process Analysis



Throughout all this process, three key customer values were identified to focus on

### Process Analysis



Source: Boston Consulting Group Report (National Sentiment, 2021)

***Recommendation***



# 1

## Immerse

Digitize the customer journey further and reduce pain points through automated solutions



# 2

## Drive

Enable innovation by leveraging your data to find opportunities and create a scalable innovation hub



# 1

## Immerse

Digitize the customer journey further and reduce pain points through automated solutions



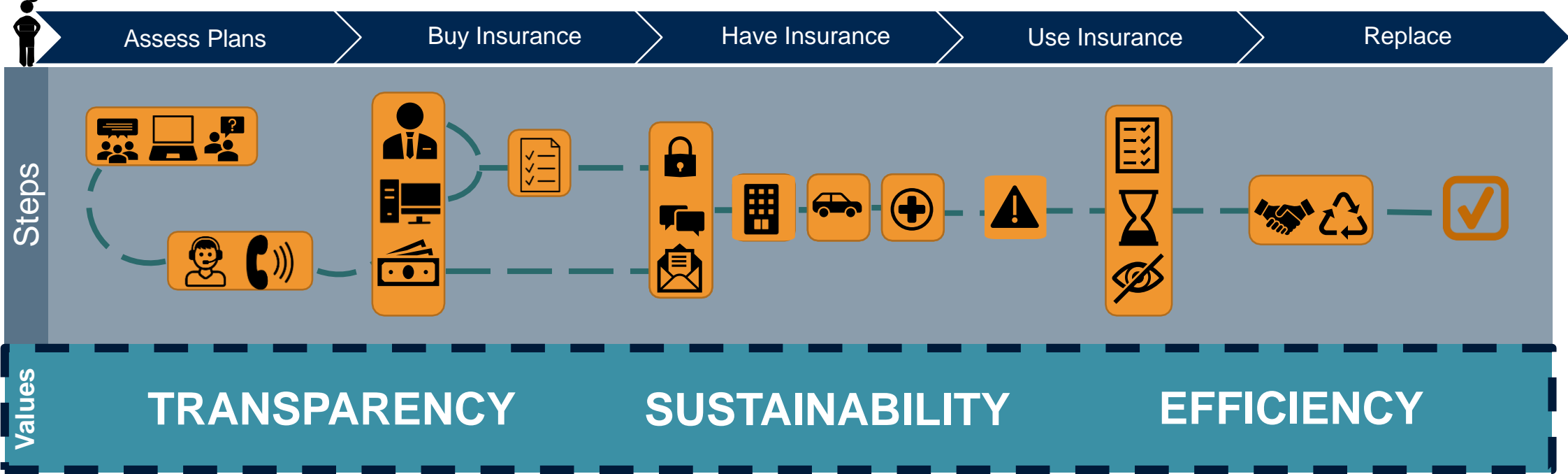
# 2

## Drive

Enable innovation by leveraging your data to find opportunities and create a scalable innovation hub

# We recommend implementing 3 digital tools to refine the customer journey and hone on 3 new values

## Digital Tools



**Simplified  
Contracts**



**Paperless  
Process**



**Chatbot**



# We recommend displaying a simplified insurance policy that spotlights transparency in contract

## Simplified Contracts

1



Millennial contracts

Concise

Clear

Short

Proof of concept:

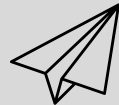
*Lemonade*

Policy 2.0

World's First Open-Source Insurance Policy



View policy

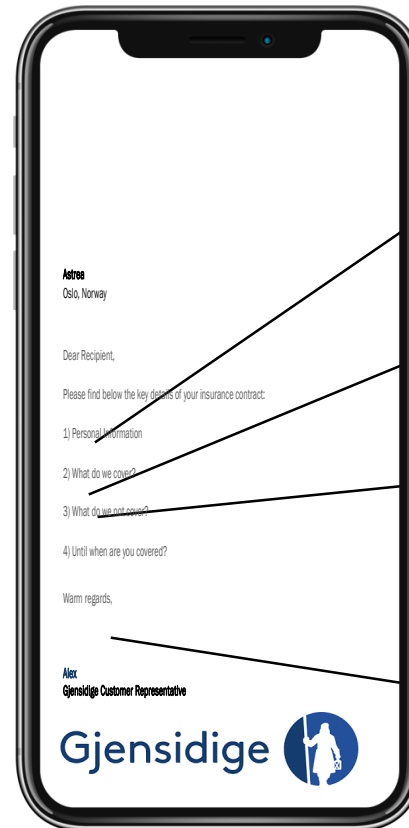


Submit claims



Make changes

Provide a one-page summary as a preview of the long technical contract



Personal information use disclosed

What do we cover?

What is not covered?

Coverage duration

# Allowing customers to opt into a paperless process will encourage sustainability and streamline processes

## Paperless Process



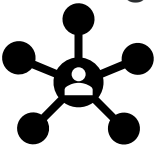
Tackles the following SDGs:



## Digital signature software can provide the needed infrastructure



100% Digital



Processing faster



Data security



### Assess Plans

All plans are provided and processed digitally

1

### Buy Insurance

Sign your policy using inSign digital signature

2

### Have insurance

All documents and ammenmends are sent via email

3

### Use Insurance

Claims submitted online with digital uploads and transactions / receipts

4

Source: inSign.de

# Introducing Ally, the virtual assistant that will efficiently solve quick inquiries customers face

## Chatbot Implementation

3

A chatbot matters for 3 main reasons:

### Results

- Used to deal with many of the **routine queries** that make up most service request
- Provides a **higher level of service**

### Future Positioning

- Allows the company to **anticipate and respond to individual needs**, as digital services become more complex

### Convenience

- Makes it easy and fast for consumers to engage with the company
- Encourage customers to get in contact more often and for longer

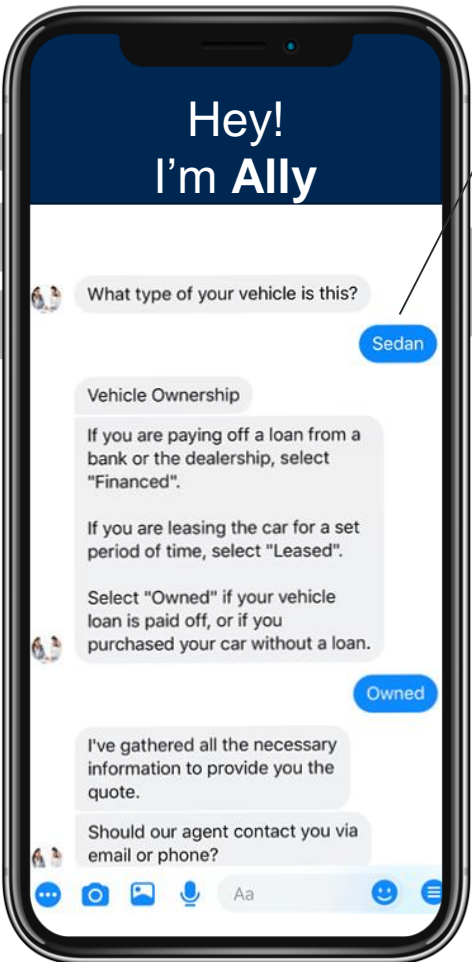
Proof of concept:



Of the 40,000 calls a month **81% are resolved** by the Chatbot



Achieved an estimated \$4.7 billion annually in global digital sales



### Priority Recognition



Not Low Medium High Extreme

Ally will **analyze** customers' messages and **classify** the case

**Inquiry type:**  
Question

**Case detail:**  
Application process

Example:



Clarification about an application question

Solutions will be provided by Ally that can be solved **autonomously**, saving time for customers

Then, Ally can **flag customers** and cases for follow up

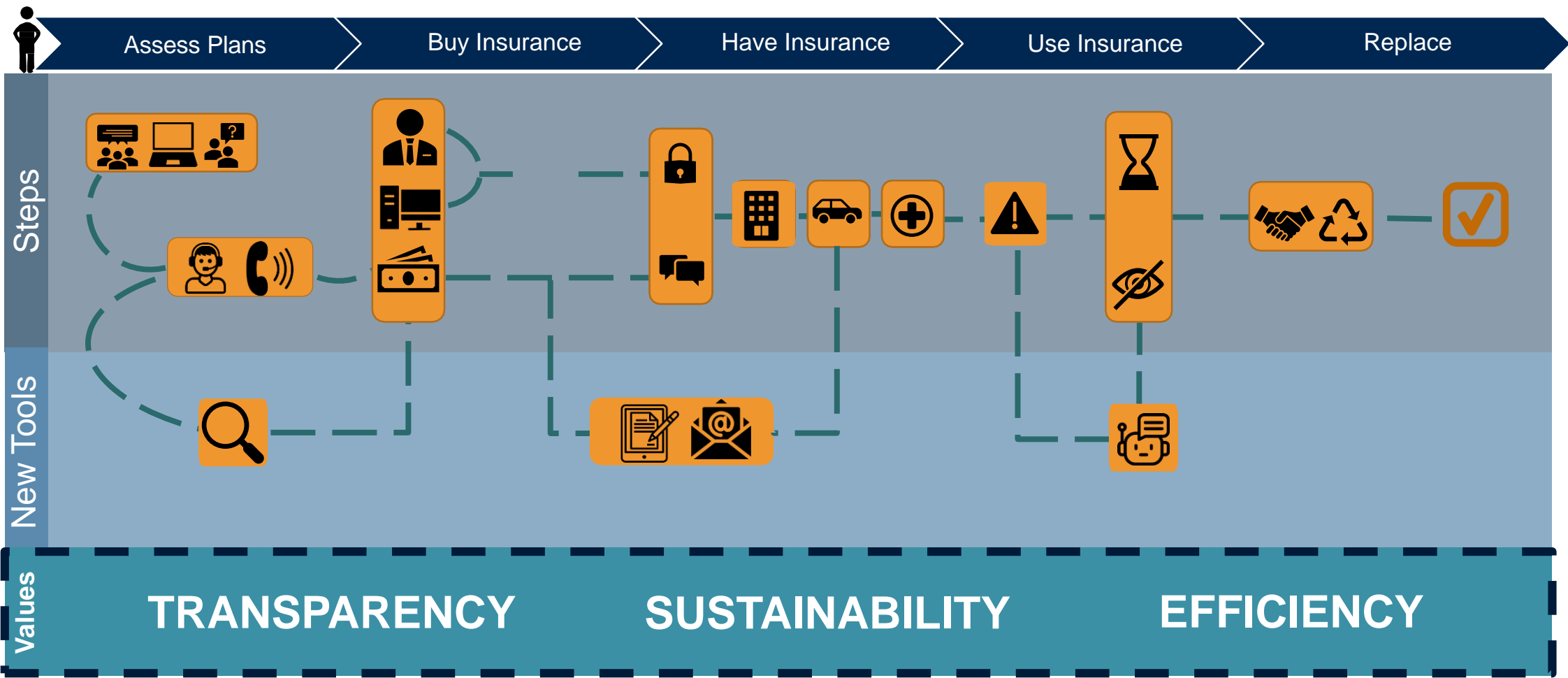
Red flag:  
Requires urgent attention by customer service representative



Source: Accenture Case Study: "Chatbots in customer service"

# Simplified contracts, paperless transactions, and Ally the chatbot will promote 3 new values while optimizing processes

## Customer-Centric Process





1

## Immerse

Digitize the customer journey further and reduce pain points through automated solutions



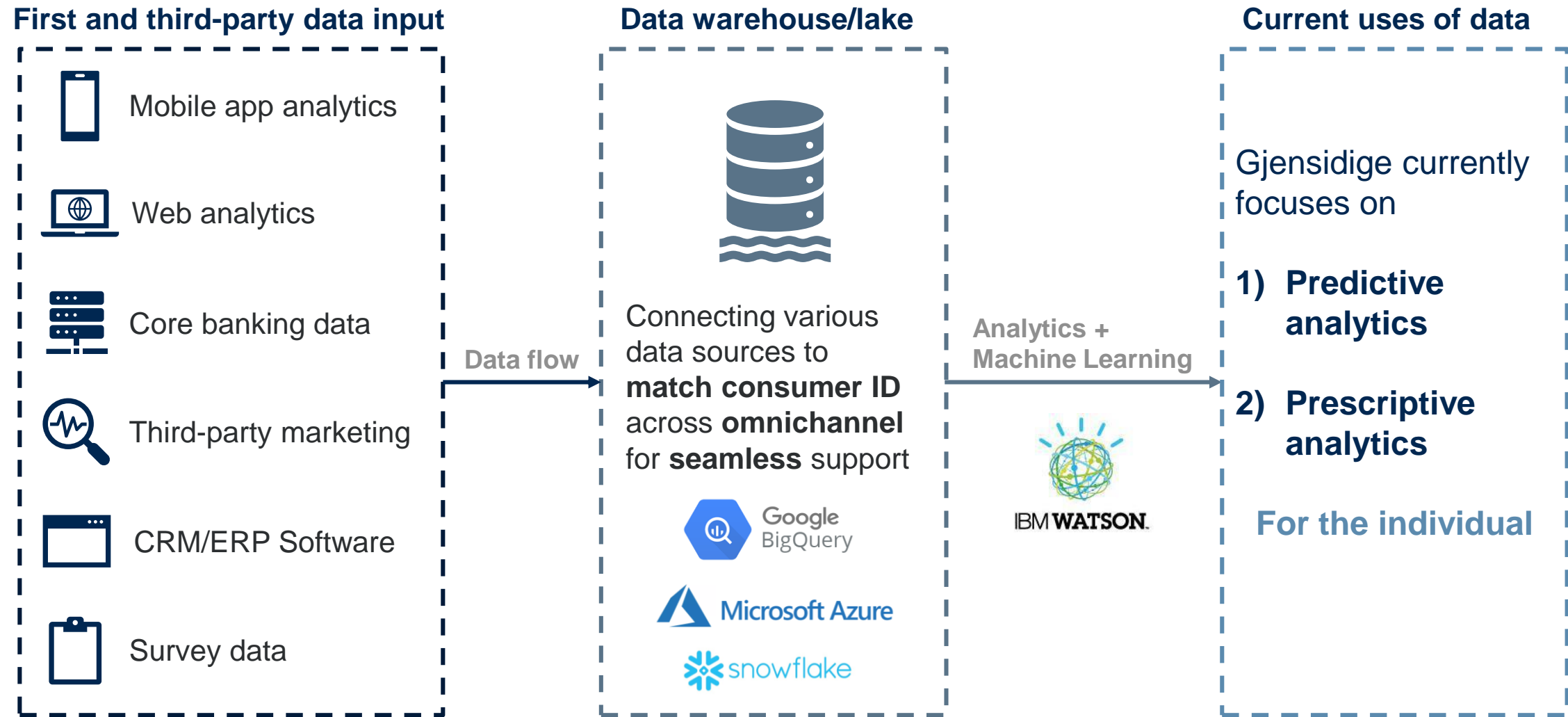
2

## Drive

Enable innovation by leveraging your data to find opportunities and create a scalable innovation hub

# Gjensidige's current tech infrastructure enables predictive and prescriptive analytics that can be used several ways

## Data Leveraging Opportunities



# Gjensidige's current tech infrastructure enables predictive and prescriptive analytics that can be used several ways

## Data Leveraging Opportunities

### First and third-party data input



Mobile app analytics

### Data warehouse/lake



### Current uses of data

# So, what now?



CRM/ERP Software



Survey data



Google BigQuery



Microsoft Azure



snowflake



IBM WATSON

analytics



# The data can be used to predict macro-trends in the overall Norwegian environment

## Data Leveraging Opportunities

### Data warehouse/lake



Connecting various data sources to **match consumer ID** across **omnichannel** for **seamless** support



Use aggregation to go from the individual to the populations

Analytics +  
Machine  
Learning



### Macro-insights

What trends need to be tackled?

What services make customers switch?

What are customers researching/requesting?

### Actionable insights

Find macro-patterns and evaluate the risk/opportunity of each

Find recurrent pain points which lead to lost clients

Contrast offerings to demands and identify gaps in care



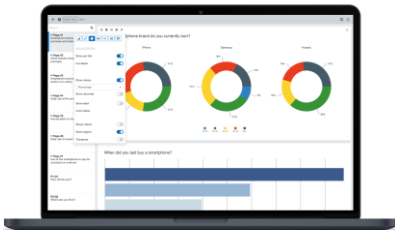
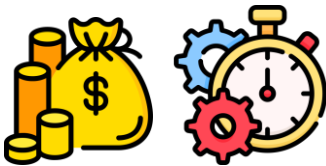
# These actionable insights, with the right people, can lead to faster in-house innovation

## Innovation Hub Overview

## Making innovation business as usual!



Component



Description

- Aggregate customer data to find new opportunities
- Prioritize projects

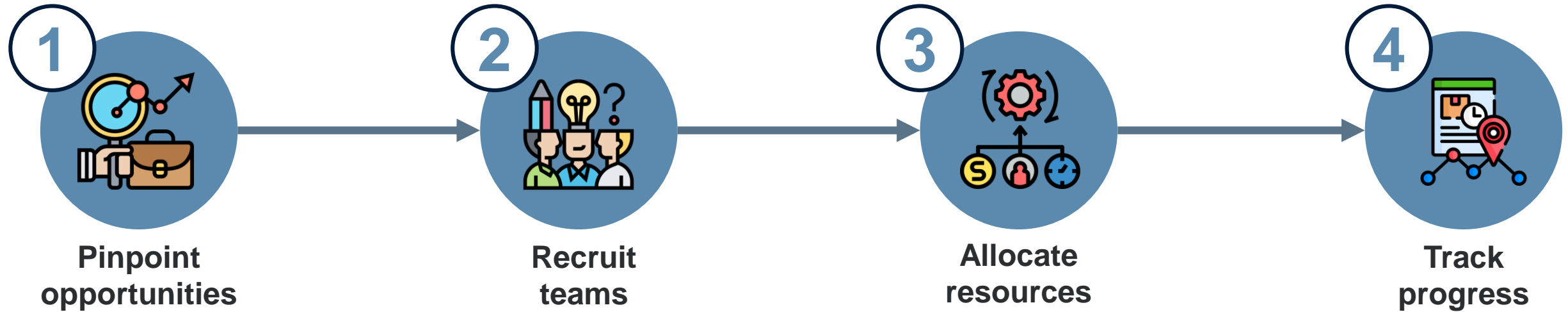
- Select creative employees to join an innovation team
- Use agile scrum process

- Set a budget and timeline for the project
- Offer flexibility to employees

- Compare progress of projects to specific KPIs
- Make **scale or scrap** decisions

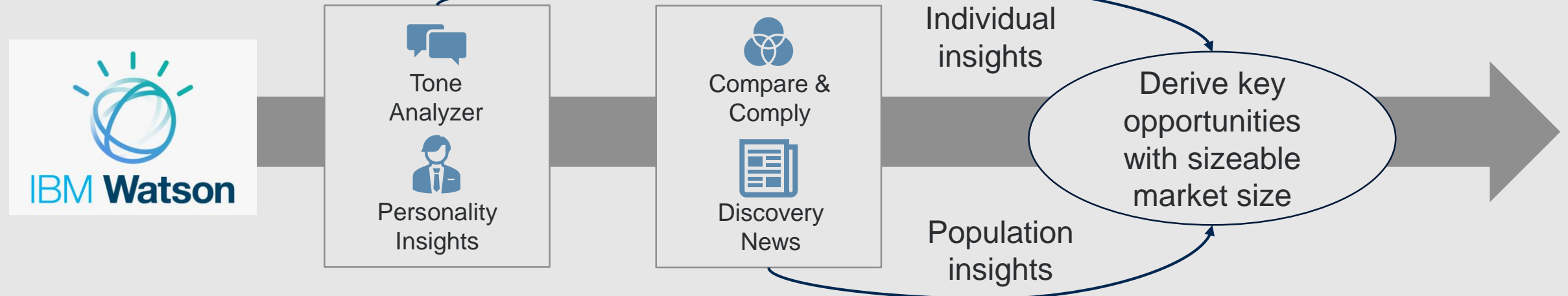
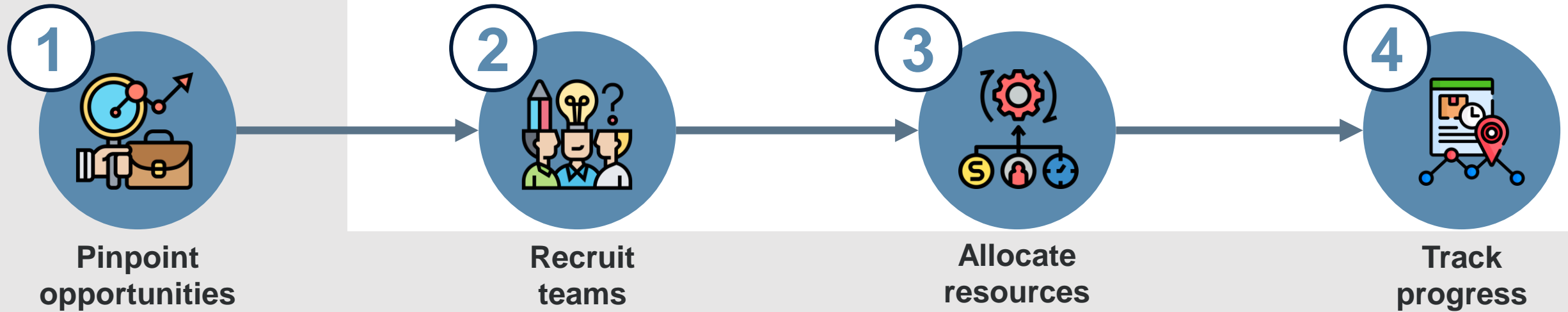
# We look further into the internal process changes which will be required

## *Intrapreneurship Deep Dive*



# Opportunities can be pinpointed by leveraging further capabilities from your partner IBM Watson

## Intrapreneurship Deep Dive

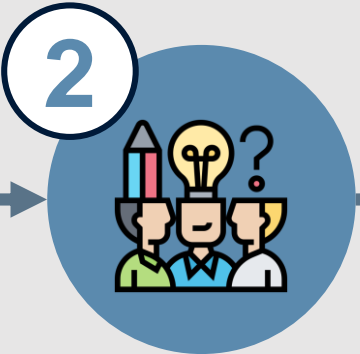


# Interested employees can submit a CV with their skills and learning objectives to join teams

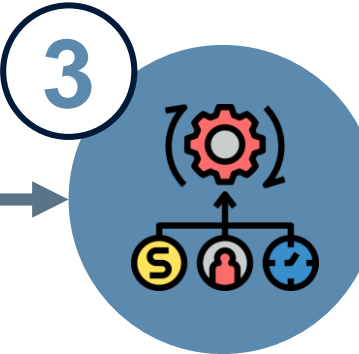
## Intrapreneurship Deep Dive



Pinpoint opportunities



Recruit teams



Allocate resources



Track progress

## Select talent

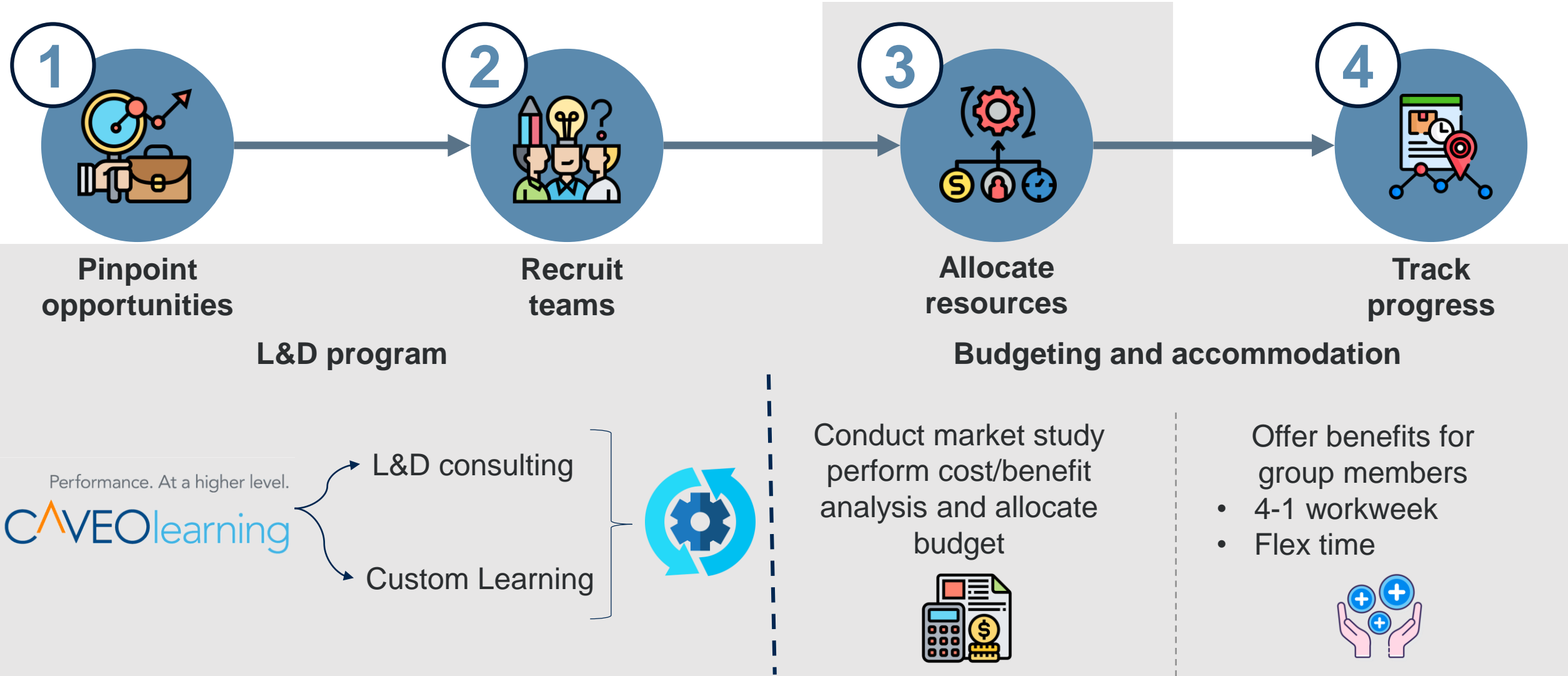


Employees who seek more meaningful work fill CV with skills

Assign effect owner  
Part of the management group experience

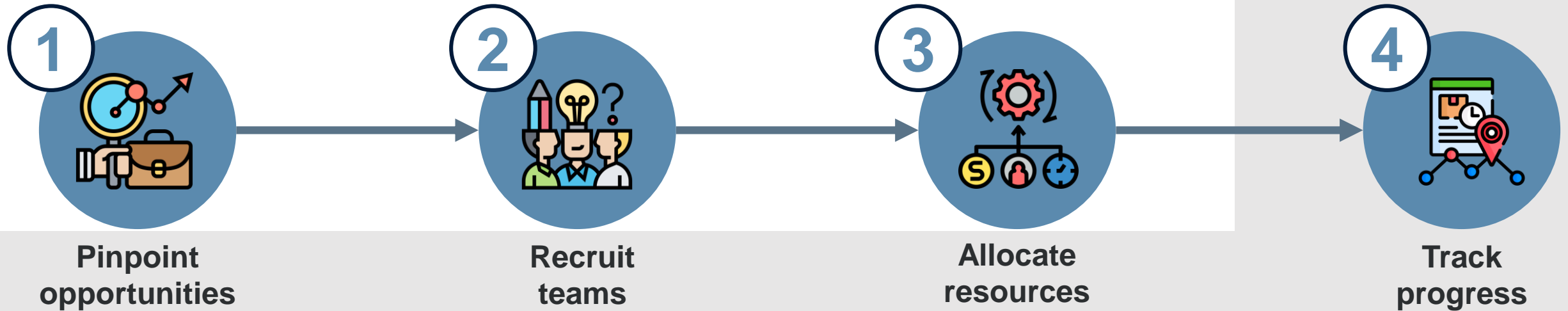
# As well, L&D and flexibility options will increase chances of success

## Intrapreneurship Deep Dive

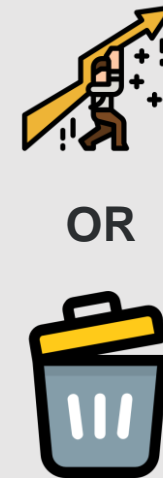


# Upper management will be able to review real-time progress through dashboards, to take scale or scrap decisions

## Intrapreneurship Deep Dive



C-suite level executives keep track of projects' progress



OR

Tribe takes partial control of promising projects

# This model is highly scalable and can be replicated and expanded across Gjensidige's locations

## Scalability Overview

The model is **highly scalable** and can be replicated in Gjensidige's 6 locations



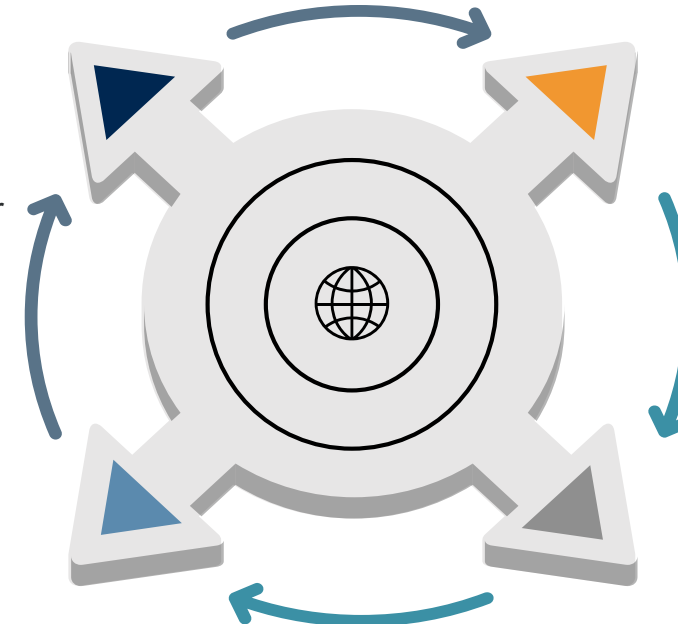
Several options are here to encourage more **diversity** in teams and more **flexibility**

### Cross location

Leverage communication channels such as Microsoft Teams or Slack for communication

### Job rotation

Business and technical, as well as managerial level employees can experience different tasks



### Cash incentives

Creative employees who work on a successful project receive cash and managerial tasks

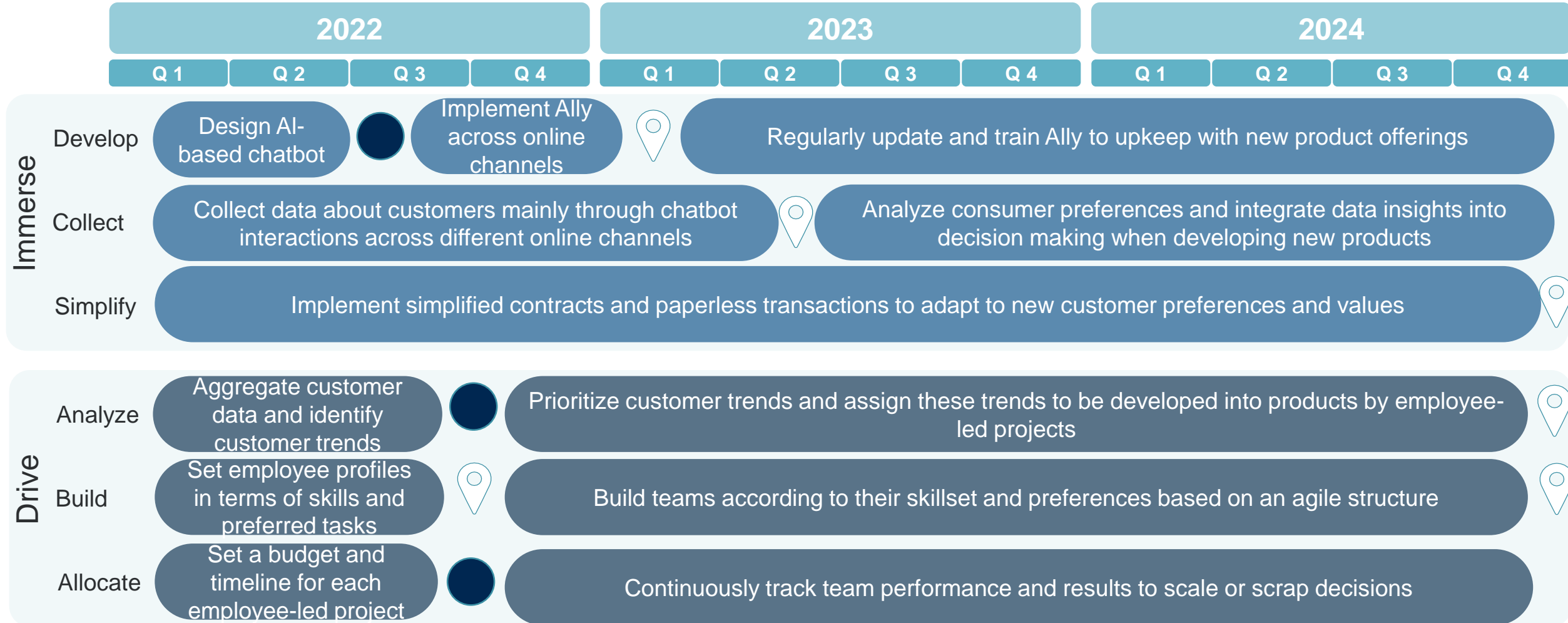
### WFH policy

Employees can use commute time to work across office or on internal ventures



# Our ID strategy will be implemented over 3 years according to following timeline:

## Implementation Timeline



Milestone



Evaluation point

Overview

Analysis

Recommendation

Impact

Risks



***Impact***

# Gjensidige will need to invest a total of NOK 67.6M gradually over the next 3 years in order to implement our strategy

## Projected Incremental Costs

### Cost Drivers



Chatbot & AI Development




Budget for Projects




Salaries

### Key Assumptions

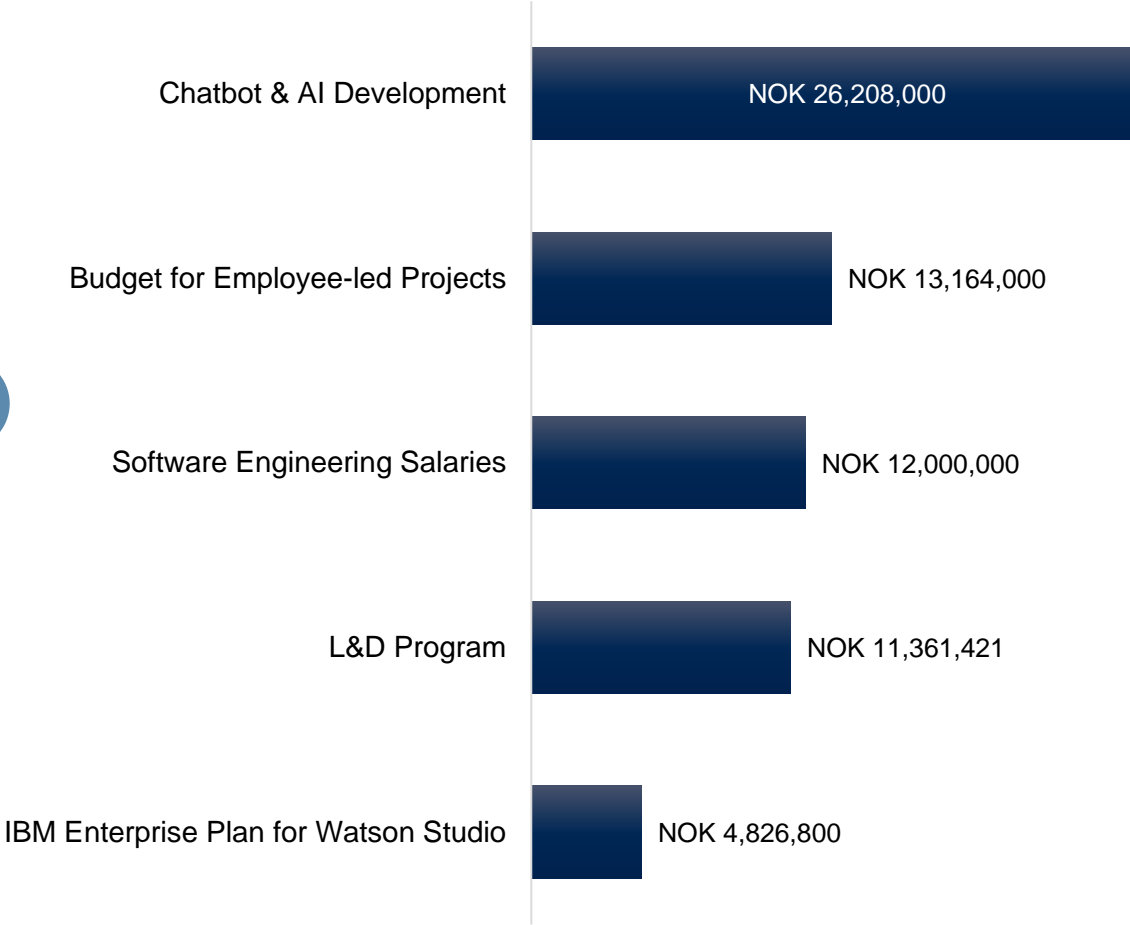


The IBM Enterprise Chatbot Plan starts at NOK 2,000 and it includes up to 1,000 monthly active users (MAUs)



The added machine learning features of Watson Studio will be supplemented to already existing IBM package

## Incremental Costs over 3 Years



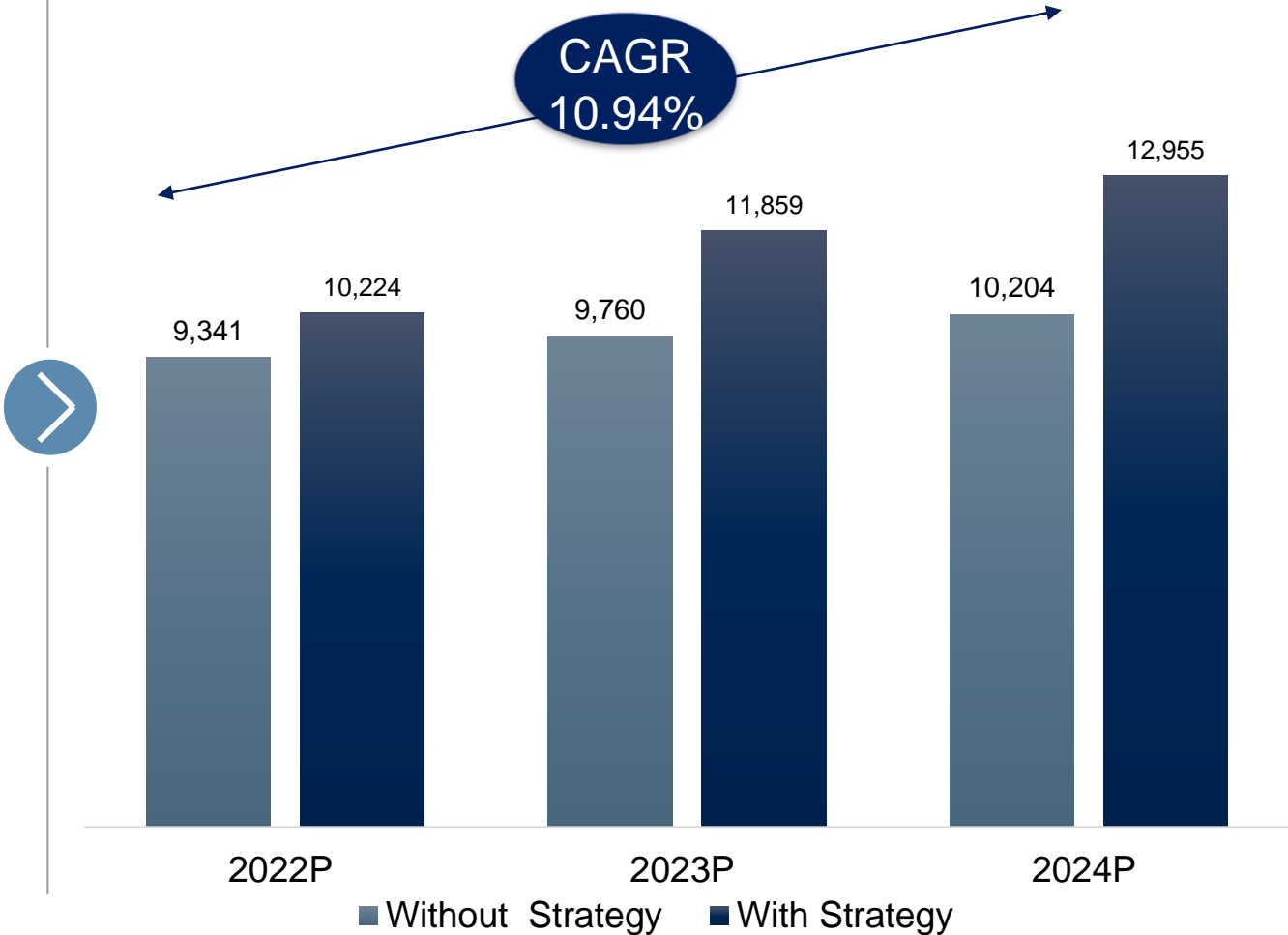
# Our ID strategy will yield a higher total operating income that increases at a CAGR rate of 10.94%

## Projected Operating Income

### Key Assumptions

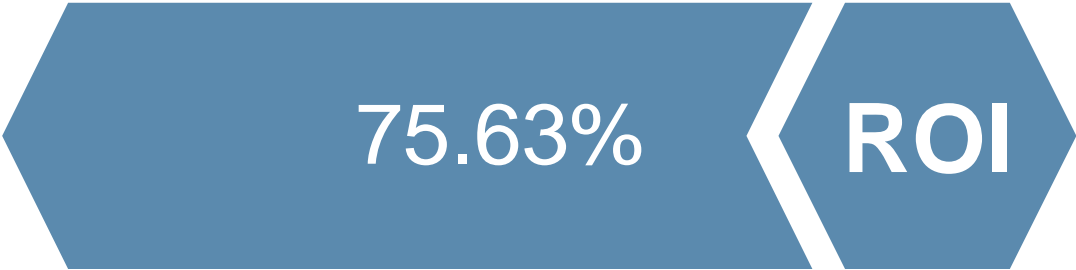
-  Net Investment will grow at 20%, 8%, and 7.5% respectively
-  Depreciation/Amortization is taken as % of total revenues historically and straight-lined
-  Realized & Unrealized Gains (Losses) are neglected
-  Other Operating Expenses are taken from historical % of total operating revenues with decreasing margins

### Operating Income (in millions of NOK)

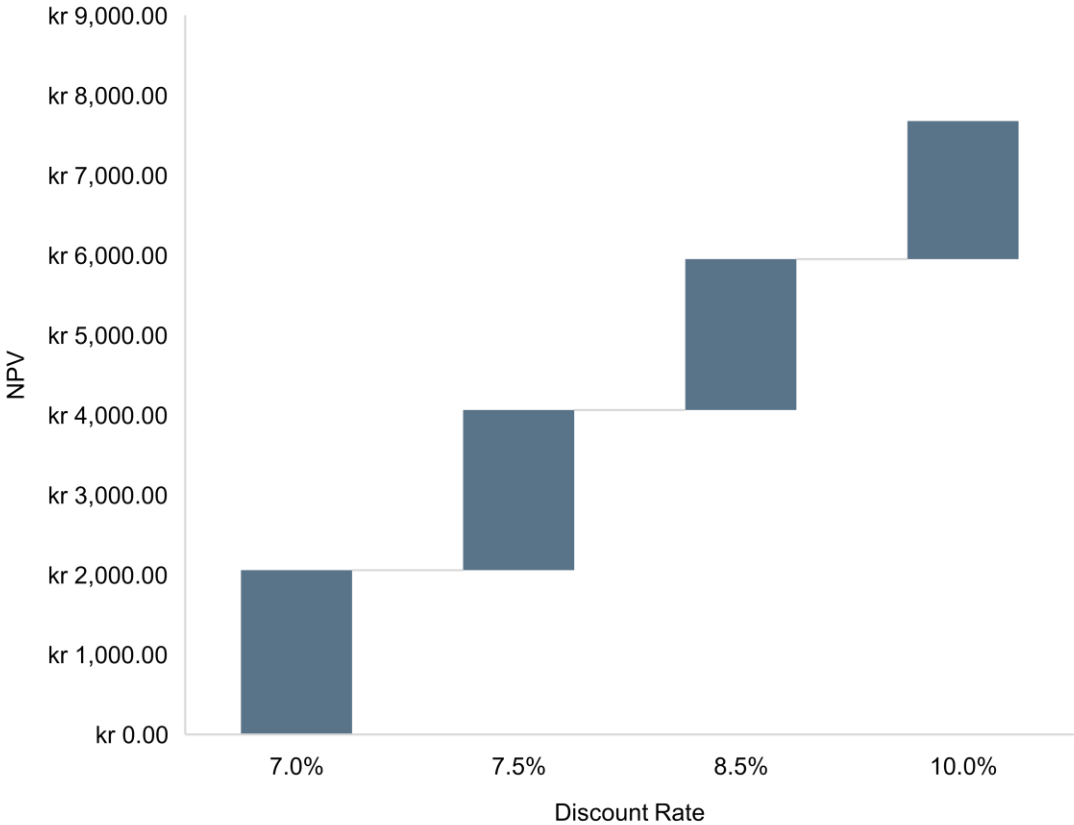


With our strategy, Gjensidige can achieve the following capital budgeting ratios and is subject to the following NPV sensitivity analysis

Capital Budgeting Ratios



NPV Sensitivity Analysis  
(in millions of NOK)



Through positive word-of-mouth marketing, and upstanding customer service, the strategy will boost Gjensidige’s Net Promoter Score

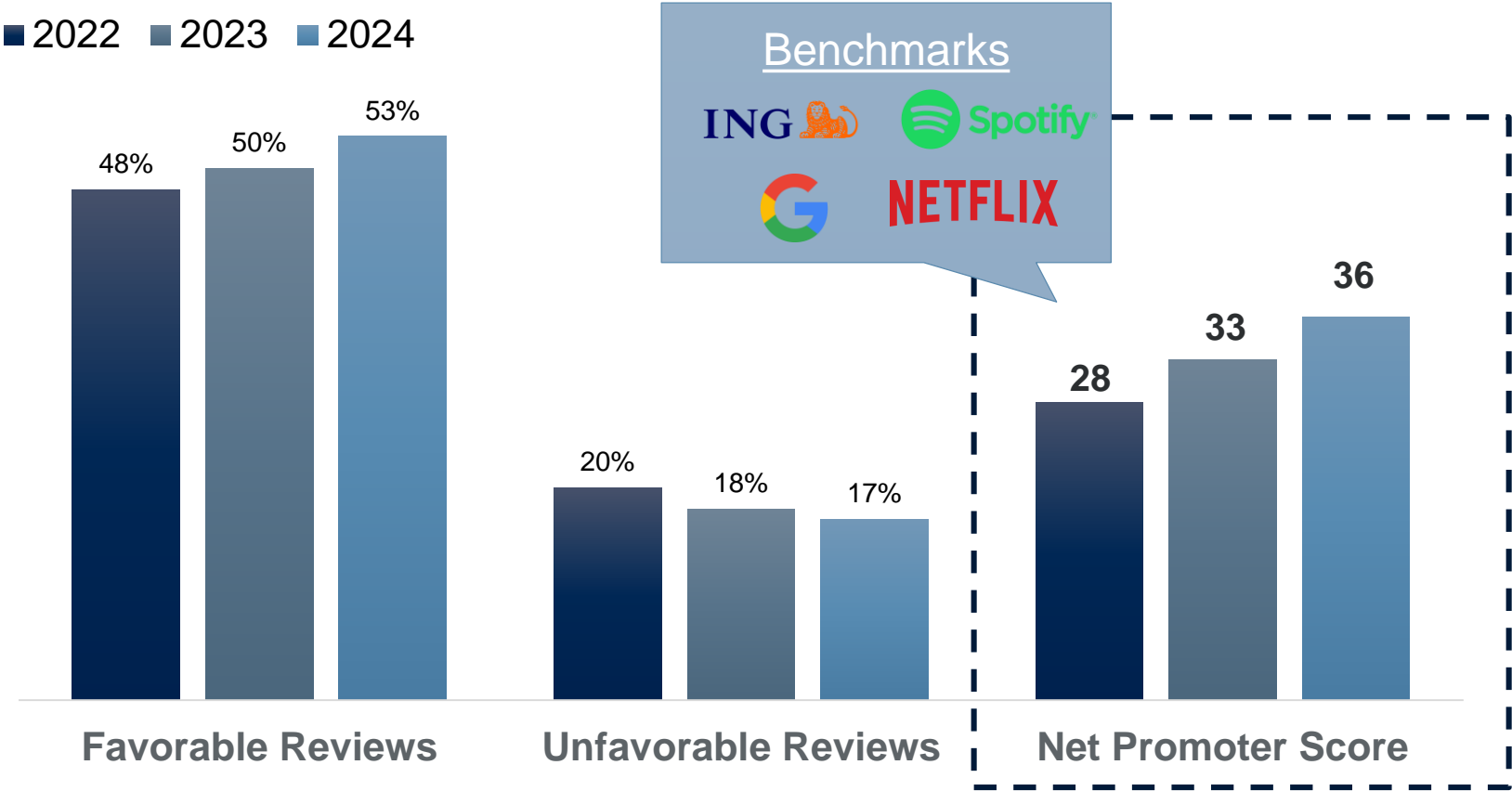
KPI: Increasing the Net Promoter Score

Net Promoter Score

The **Net Promoter Score**, is a useful metric used within the context of **measuring customer experience** through analyzing **customer satisfaction and loyalty**



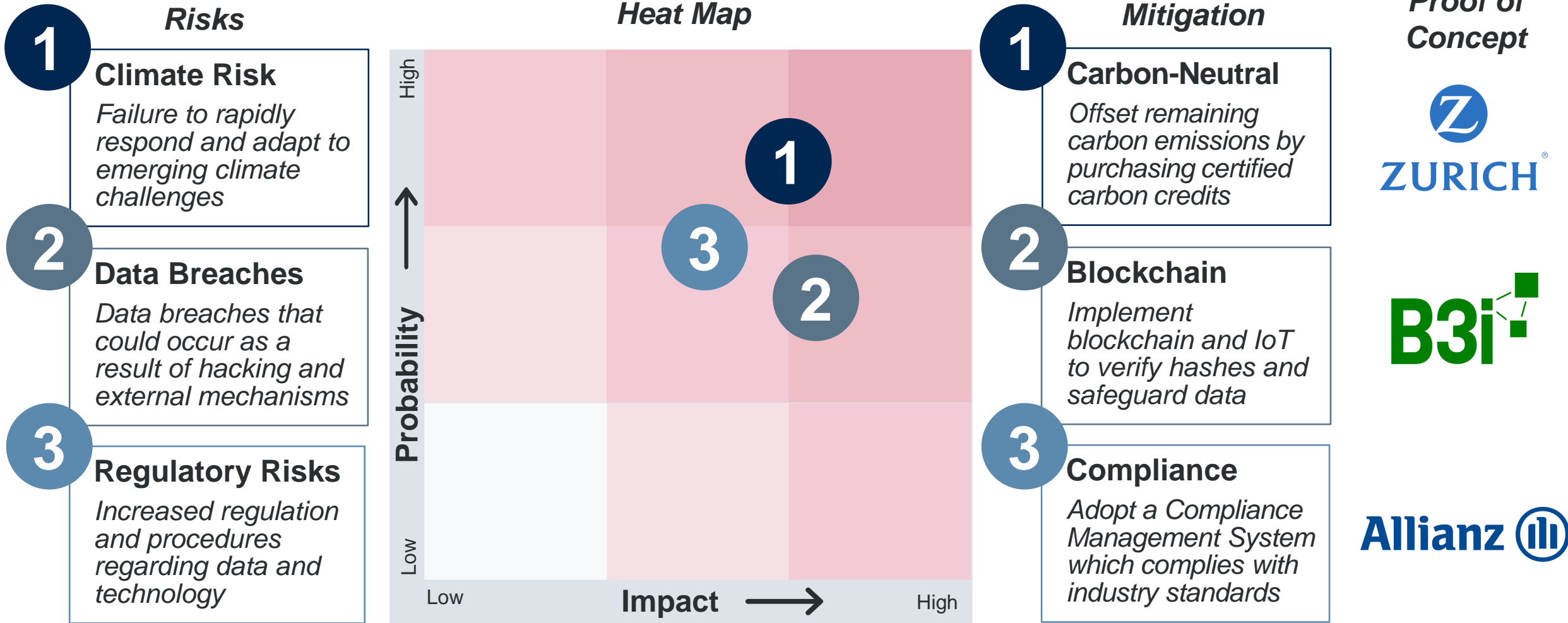
“On a scale of 0 to 10, how likely are you to recommend Gjensidige to a friend or colleague?”



# ***Risks & Mitigation***

# We identified three major risks based on the external environment alongside effective mitigations

## Risks & Mitigations

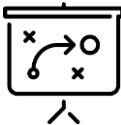


**? How can Gjensidige advance its agile workplace to adapt to customer & employee needs?**



Complications

- New Technological Developments
- Dynamic & Developing Customer Demands
- Hierarchical Decision Making



Strategy

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*Digitize the customer journey further and reduce pain points through paperless automated solutions*
- Drive**  
*Enable innovation by leveraging your data to find opportunities and create a scalable innovation hub*



KPIs by **2024**

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- Boost Employee Engagement Score by 0.7 points



# ***Appendix***

## Case Study: Google Chrome

A classic example is the Google Chrome release cycle. Google put together a blog post describing their change in the release cycle. According to the Chromium Blog, the Google Chrome Developers mentioned that their new cycle would be “about once every six weeks... While the pace is important to us, we are all committed to maintaining high-quality releases — if a feature is not ready, it will not ship in a stable release”. As mentioned above, Google does not like to announce very specific time frames. This gives them more flexibility to move features to the next cycle if a feature is not ready in the six-week time frame. As seen in the diagram below, they have adopted an iterative agile practice, but it isn't a full-on agile lifecycle.

Google Chrome Developers stated their reasons why Google has announced this rapid release cycle. Their first goal is that they do not want their users to wait months before using new features, instead of small iterative features can keep the consumers excited. The second goal is that they wanted to apply more project management in which they can have an internal idea of how long it will take them to do work in a six-week cycle. The last goal is to take pressure from the software engineers as they have less pressure if a feature is not completed than the old model which when a feature was not completed, they would have to work overtime, or disable the feature and wait months till next release.

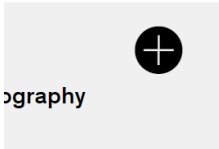
Being a project manager working with developers who are working across multiple projects, the adoption of agile is difficult. I found that there needs to be flexibility in the rule book, especially in the beginning. I also found, depending on the size and complexity of the project, the length of the sprint can make a statement to the quality of the product and the health of your team. Find a schedule that is realistic and push back to clients if needed. A happy team makes for a great product.



# Agility Case Study II: ING



**The Quarterly:** What prompted ING to introduce this new way of working?



**Bart Schlatmann:** We have been on a transformation journey for around ten years now, but there can be no let up. Transformation is not just moving an organization from A to B, because once you hit B, you need to move to C, and when you arrive at C, you probably have to start thinking about D.

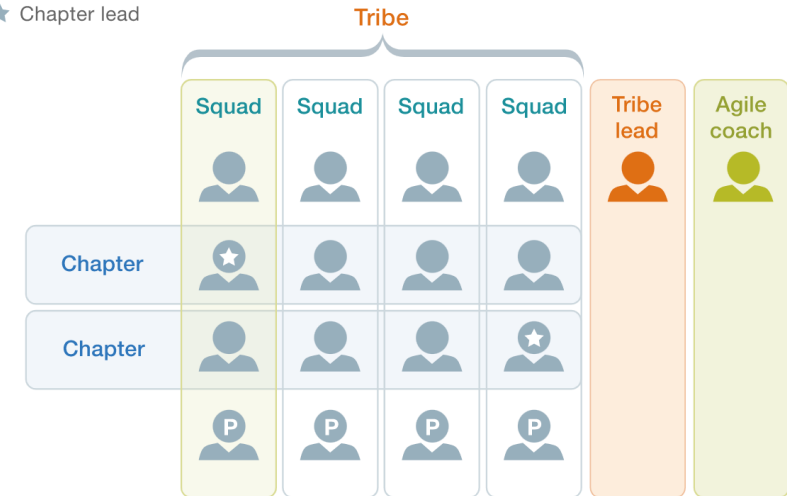
In our case, when we introduced [an agile way of working](#) in June 2015, there was no particular financial imperative, since the company was performing well, and interest rates were still at a decent level. Customer behavior, however, was rapidly changing in response to new digital distribution channels, and customer expectations were being shaped by digital leaders in other industries, not just banking. We needed to stop thinking traditionally about product marketing and start [understanding customer journeys in this new omnichannel environment](#). It's imperative for us to provide a seamless and consistently high-quality service so that customers can start their journey through one channel and continue it through another—for example, going to a branch in person for investment advice and then calling or going online to make an actual investment. An agile way of working was the necessary means to deliver that strategy.

**The Quarterly:** How do you define agility?

**Bart Schlatmann:** Agility is about flexibility and the ability of an organization to rapidly adapt and steer itself in a new direction. It's about minimizing handovers and bureaucracy, and empowering people. The aim is to build stronger, more rounded professionals out of all our people. Being agile is not just about changing the IT department or any other function on its own. The key has been adhering to the “end-to-end principle” and working in multidisciplinary teams, or squads, that comprise a mix of marketing specialists, product and commercial specialists, user-experience designers, data analysts, and IT engineers—all focused on solving the client's needs and united by a common definition of success. This model [see exhibit] was inspired by what we saw at various technology companies, which we then adapted to our own business.

P Product owner

★ Chapter lead



## Tribe

(collection of squads with interconnected missions)

- includes on average 150 people
- empowers **tribe lead** to establish priorities, allocate budgets, and form interface with other tribes to ensure knowledge/insights are shared

## Agile coach

- coaches individuals and squads to create high-performing teams

## Squad

(basis of new agile organization)

- includes no more than 9 people; is self-steering and autonomous
- comprises representatives of different functions working in single location
- has end-to-end responsibility for achieving client-related objective
- can change functional composition as mission evolves
- is dismantled as soon as mission is executed

## Product owner

(squad member, not its leader)

- is responsible for coordinating squad activities
- manages backlog, to-do lists, and priority setting

## Chapter

(develops expertise and knowledge across squads)

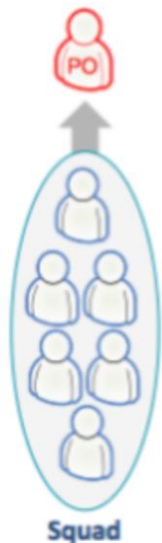
## Chapter lead

- is responsible for one chapter
- represents hierarchy for squad members (re: personal development, coaching, staffing, and performance management)

# Agility Case Study III: Spotify



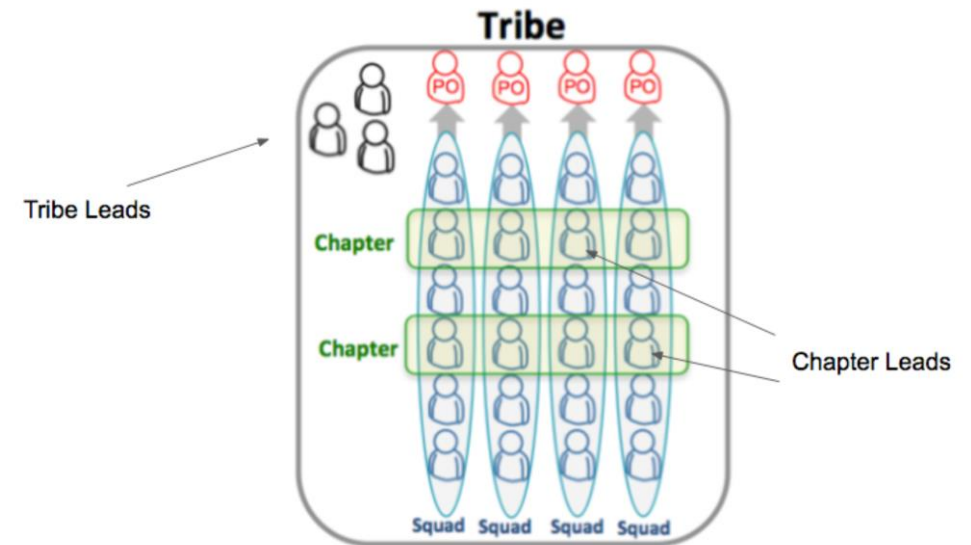
Squad is the building block for Spotify tech group and the most important. It is the foundation for our organization and the usual go to for problems solution. “Take it to the team” Squad is a small cross functional team sharing the same mission, and preferably colocated. Squad should feel like working in a mini-start-up where you can do whatever you need to do while Spotify acts as an incubator. Before you ask, no squad does not report to Product Owner (PO), PO is part of the squad. Diagram indicates each squads have a PO.



“Feel like a mini-startup”

Self-organizing

Cross-functional



## Establish a culture from the top down.

Naturally, such a framework will never be successful without total buy-in and involvement from the organization's leadership. And the company's vision, driven by its leaders, provides the platform upon which any framework is built. Netflix's vision revolved around fluidity, iteration and evolution — exemplified through its leaders' decision to re-brand as an exclusively online entertainment powerhouse. McCord attributes the success of this transformation to the open channel of communication maintained between executives and employees. "People need to see the view from the C-suite," she writes, "In order to feel truly connected to the problem solving that must be done at all levels and on all teams."

Her insights ring true: the opaque bubble surrounding the executive level has burst — and all can benefit from responding to the employee demand of increased transparency within our organizations.

## Give HR a seat at the table

*Powerful* is a triumphant testament to the power of HR to harness employee potential and shape organizational culture. McCord summarizes the matter cogently: "If you hire the talented people you need, and you provide them with the tools and information they need to get you where you need to go," she argues, "They will want nothing more than to do stellar work for you and keep you limber."

Although an organization's C-suite sets its overall cultural tone, these notes fall flat without on-the-ground enforcement. That's where HR comes in. "I left behind traditional HR," McCord explains, "And took on a new role as the COO of culture and the chief product manager of people."

## Consider customer demand your most important decision-making factor

Perhaps McCord's boldest argument comes in her emphasis that everything an organization says and does — from the way it defines success to how it decides whether to hire or retain employees — must be understood as a direct response to its customers' needs.

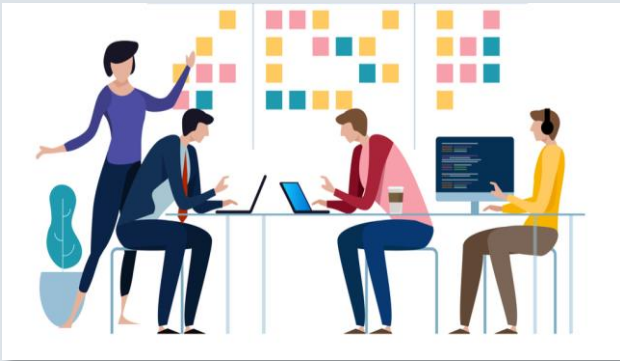
# Analysis

## Appendix



# Key Metrics in McKinsey Study - Scaling agility: A new operating model for insurers

## Source



McKinsey  
& Company

Agile companies show superior operational, health, and financial results.

Time to market, months

5–7× faster

Productivity

20–30%  
improvement

Customer-satisfaction score

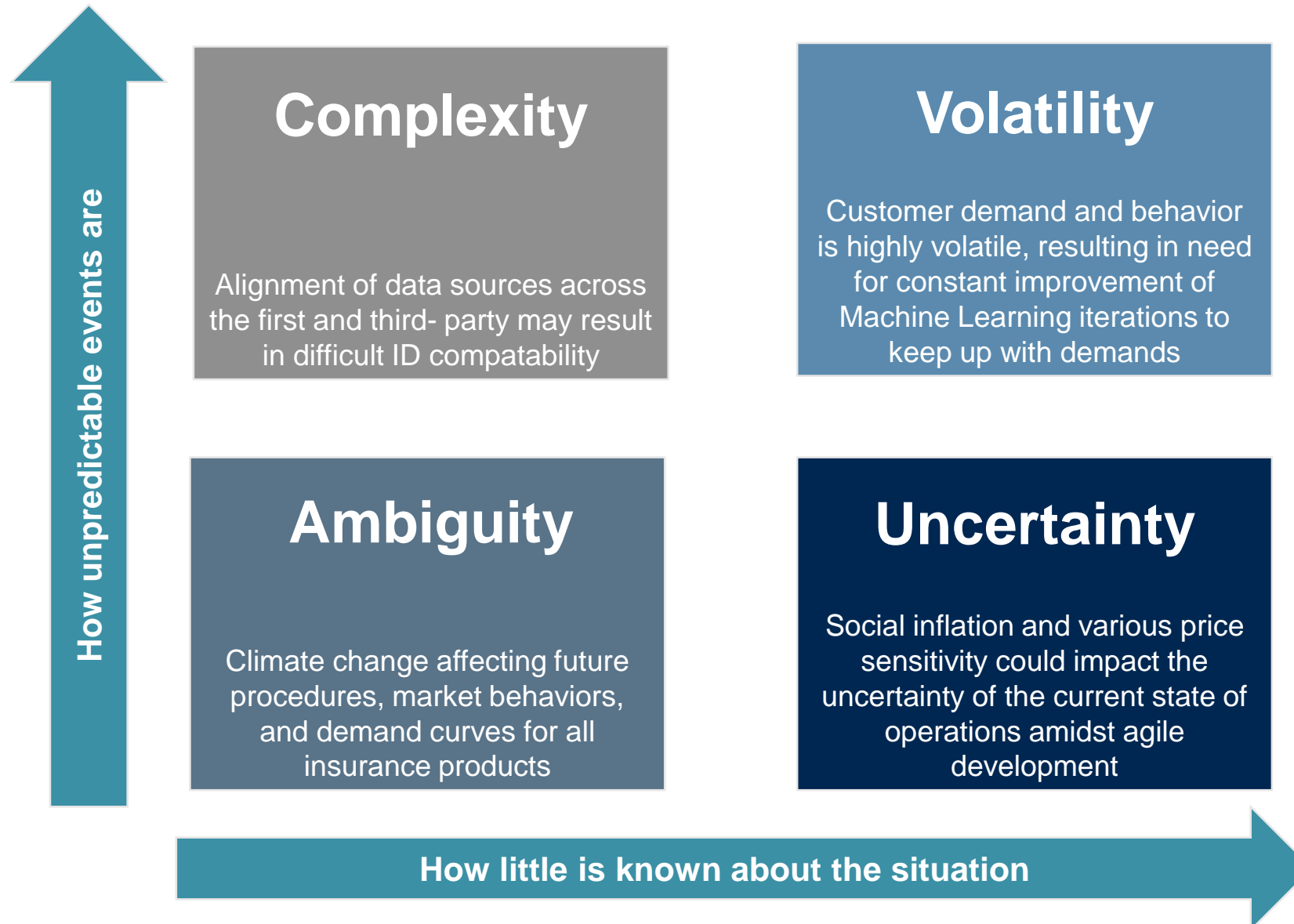
20–30 p.p.  
improvement

Employee-engagement score

20–25 p.p.  
improvement

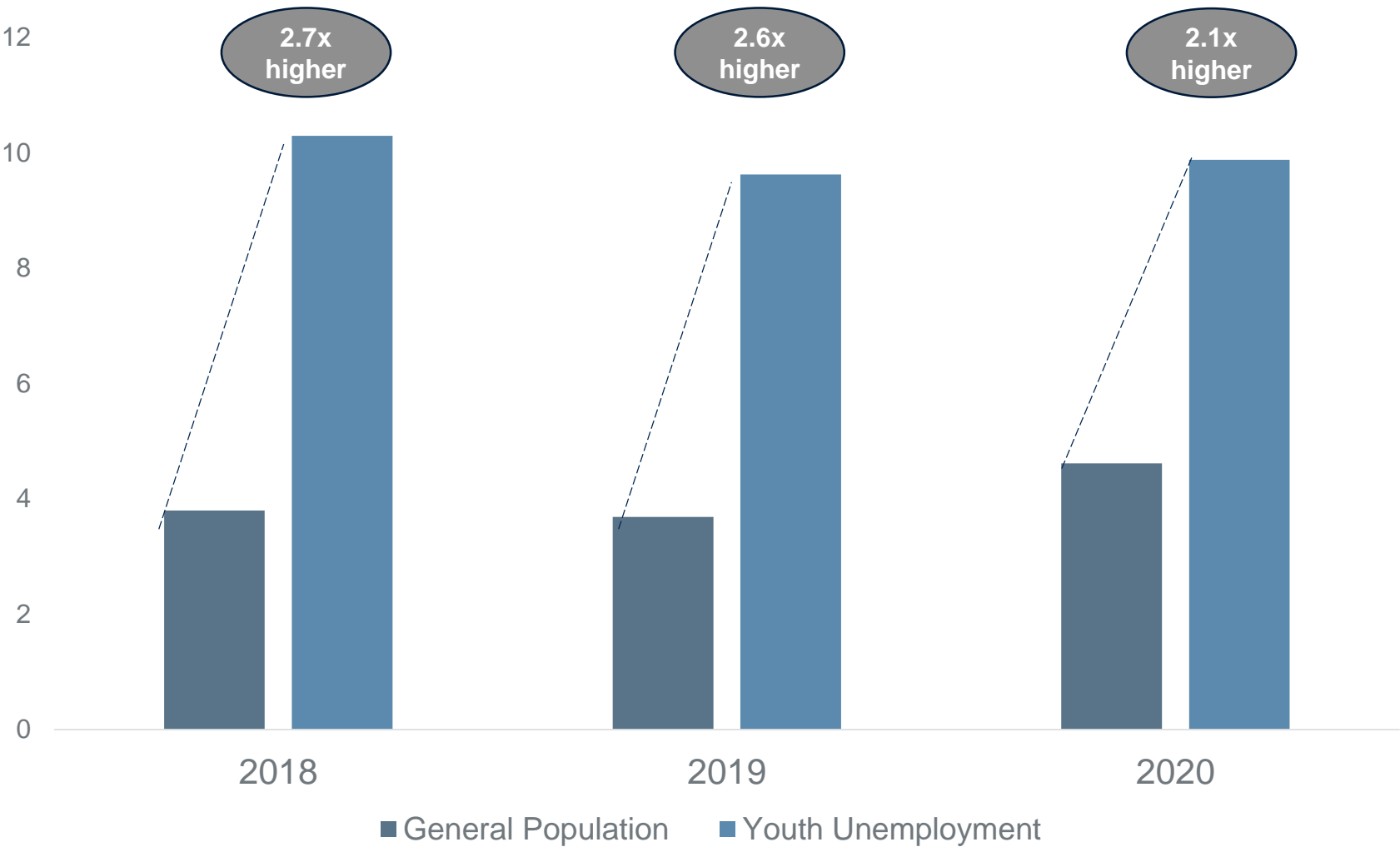
Note: p.p. = percentage point.

# VUCA Assessment





# Unemployment rates across generations



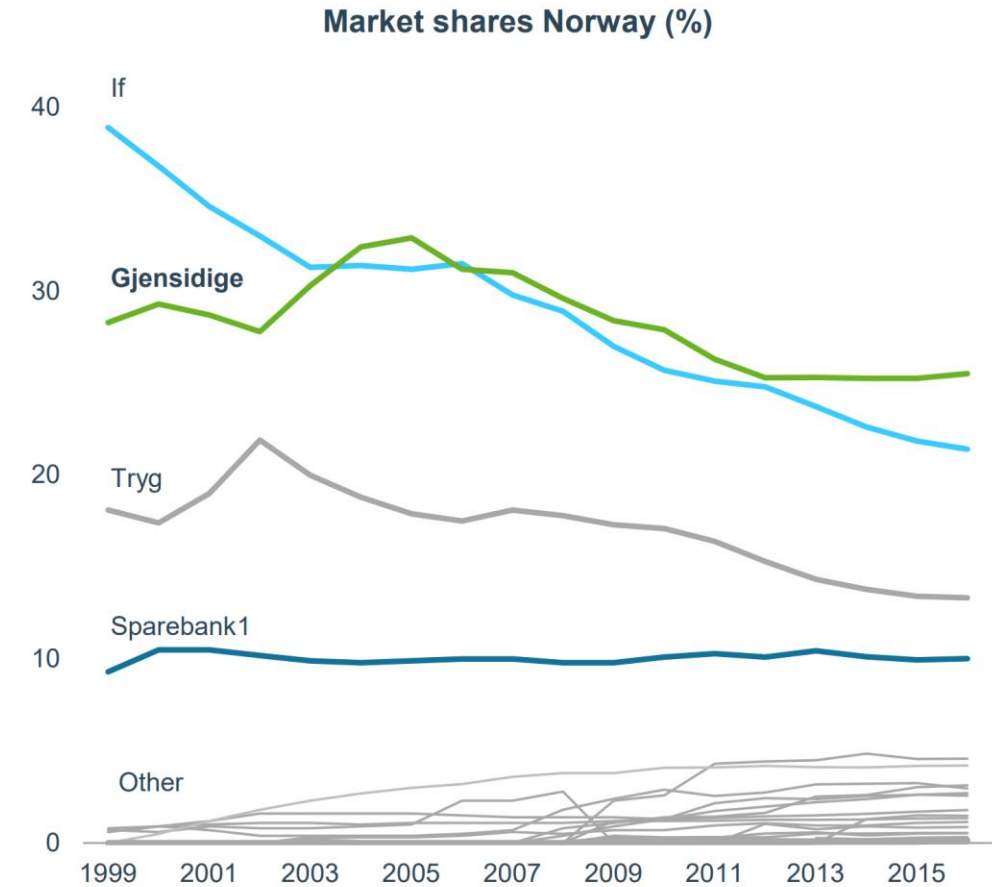
# Strategy alternatives

Alternatives	Demand	Innovation	Fit with current structure	Ease to implement	Cultural fit
AI Chatbot	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>
Paperless Automated Processes	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>
Simplified contracts	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>
Externships	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>
Decentralized decision-making	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>	<div><div></div><div></div><div></div></div>

# Gjensidige ranking per location



Position in each country based on Q12016 Norway and Baltics, Q22015 Denmark, Q42015 Finland and Sweden (including Vardia).







































Source: Finance Norway. 28 companies in "Other" category Q116.

# Pillar 1: Immerse

## Appendix

# Digital tools alternatives

	Cost	Impact	Feasibility	Time	Data	Legal Ease
Telematics						
100% digital (paperless)						
Chatbot						
Blockchain						
Contract simplification						
Pay per use						

Lemonade

## World's First Open Source Insurance Policy

Policy 2.0 is a radically simplified insurance policy. It's open source, which allows everyone to contribute and benefit from it. Currently only available in Europe.

[Source link](#)

### The Squeezed Version

Congratulations! You got yourself a Lemonade Renters Insurance Policy for your home at 5 Crosby St. New York, NY 10013. Your policy number is LP234F32.

We want to make sure you know what you're getting for your \$5.20 per month, so we did our best to make this policy short and sweet.

Please take a few minutes to read through, and **let us know** if you have any questions. You can always **change coverages**, **add valuable items**, and more.

#### Who's covered?

This policy covers **Jane Doe**. You can add more people, as long as they permanently live at 5 Crosby Street.

#### When?

This policy covers events that started after March 12, 2017 at 1:30pm, and before March 12, 2018, 1:30pm.

#### Against what?

We protect you against theft, vandalism, fire, smoke, burst pipes, appliance leaks, and damage others may accuse you of causing. There are important limitations, though, so please read on.

#### For how much?

We provide coverage up to a certain limit. Here is a quick overview of the limits you chose (and can **change**):

- Damage or theft of your stuff, up to \$10,000 in total, and \$2,500 per item.
- Temporary living expenses if your home becomes unlivable, up to \$2,500.
- Damage to other people, up to \$100,000

## Go digital - get inSign!

The [electronic signature](#) software enables the quick and easy **signing** of documents – in a 100% digital and 100% **legally compliant** process. Suitable for all **company** sizes, self-employed and freelancers.



100%  
digital



100%  
legally compliant



increased  
customer satisfaction



Works with or  
without app



100% data privacy  
Made in Germany



80% of processes  
completed in just a day



Processing times  
25 times faster



Return rates  
reduced by 90%

## Generali Insurance opts for **paperless contract conclusion**



### Initial rollout of the electronic signature successfully completed

Since the end of 2015, Generali has been using the electronic signature system "inSign" from iS2 Intelligent Solution Services AG, which enables a completely digital application process.

**Freising, 11.4.2016** Generali provides inSign in several stages. During the pilot phase, 200 selected sales representatives were using the complete digital application process in the "Private", "Motor" and "Legal protection" insurance lines.

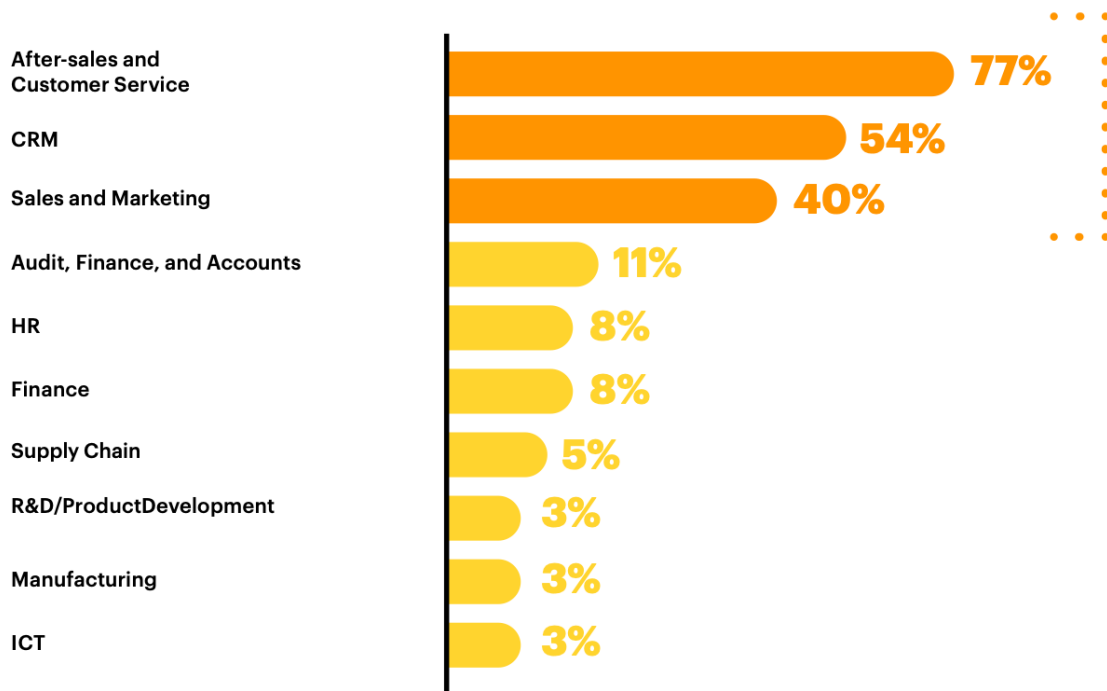
The broad-based rollout to cover all "Exclusivity" line sales will be completed by the beginning of May. In addition, the company plans to connect further divisions from the end of 2016.

### Paperless insurance application

With the complete digital application process, the paperless insurance application is now possible. Customers and agents sign on commercially available smartphones or tablets. "Even in the pilot phase, more than 2,000 applications were received through this application process," says Carsten Denecke, Project Manager Project and Requirements Management at Generali Insurance, "which clearly exceeded our expectations."

Figure 5: Where executives have implemented or plan to implement conversational bots.

## ALREADY IMPLEMENTED



### 1. Interface > "The UI"

This is the interface between the chatbot and the (human) user, through a messaging app or a chat session on a company's website. Increasingly, the UI uses spoken voice, for example with personal digital assistants such as Siri, Amazon's Alexa, Google's Assistant or Microsoft's Cortana. Natural Language Processing (NLP) is used to understand what the customer is asking, using AI techniques to allow a natural sounding conversation and take previous questions and context into account.



### 2. Intelligence > "The AI"

The intelligence allows the chatbot to understand and solve customer queries and to learn from each interaction. Today, most of the problem solving in chatbots is through pre-defined rules in a decision tree, rather than using machine learning and similar techniques, although these are starting to be applied. This means that in practice chatbots operate in areas of narrow expertise, where experts have defined the answers to common problems.



### 3. Integration > "The SI"

This covers the integration with other systems and platforms, including integration with workforce management systems to access human agents. It is through these integrations that the chatbot can access information from multiple sources, complete transactions and escalate more complex customer queries to human agents.



Upgrading existing chatbot



# Case study: Geico going paperless



## Paperless Billing And Paperless Policy

With GEICO's paperless options, you can quickly access your bills and policy papers online—anytime, anywhere. No clutter to worry about because it's all paperless!



### No More Paper Chase

Do bills get lost in the mountain on your desk? Is one of your New Year's resolutions to get your office organized and under control? Whether you have a detailed catalog of every financial document or you're a little more laid back with your paper system (or, lack of), GEICO makes it easy to get and stay organized.

### As Simple As 1-2-3

1. Sign up; it's a snap! [Activate your online account](#) to take advantage of our paperless options. You can enroll in paperless billing or paperless policy—or both!
2. When a new bill is ready or new policy papers are available, we'll send you an email.
3. Then you simply log into GEICO's [Policyholder Service Center](#) to review your latest policy documents.

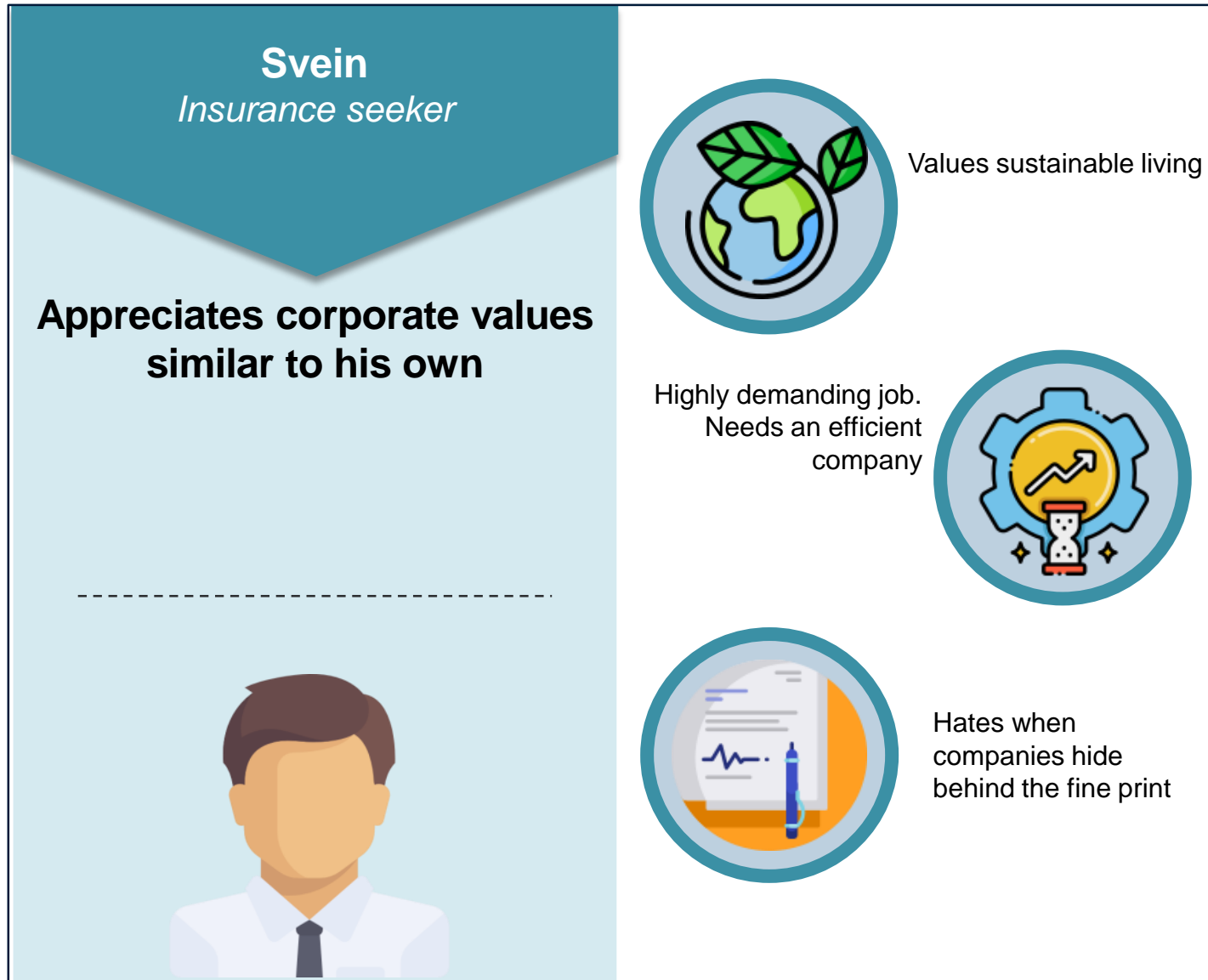
### Why sign up for Paperless Billing?

- You'll get your bill faster and more conveniently. We'll email you as soon as your bill is ready to view online.
- Instant access simplifies your record-keeping.
- Review bills for the last six months online. No need to track down old bills and payment information.
- There's no obligation. You can switch back to paper bills if that works better for you.

Log into GEICO's Policyholder Service Center and select "Paperless Options" [to enroll in Paperless Billing](#).

### Why sign up for Paperless Policy?

- We'll send you an email when your latest policy documents are ready to view online.

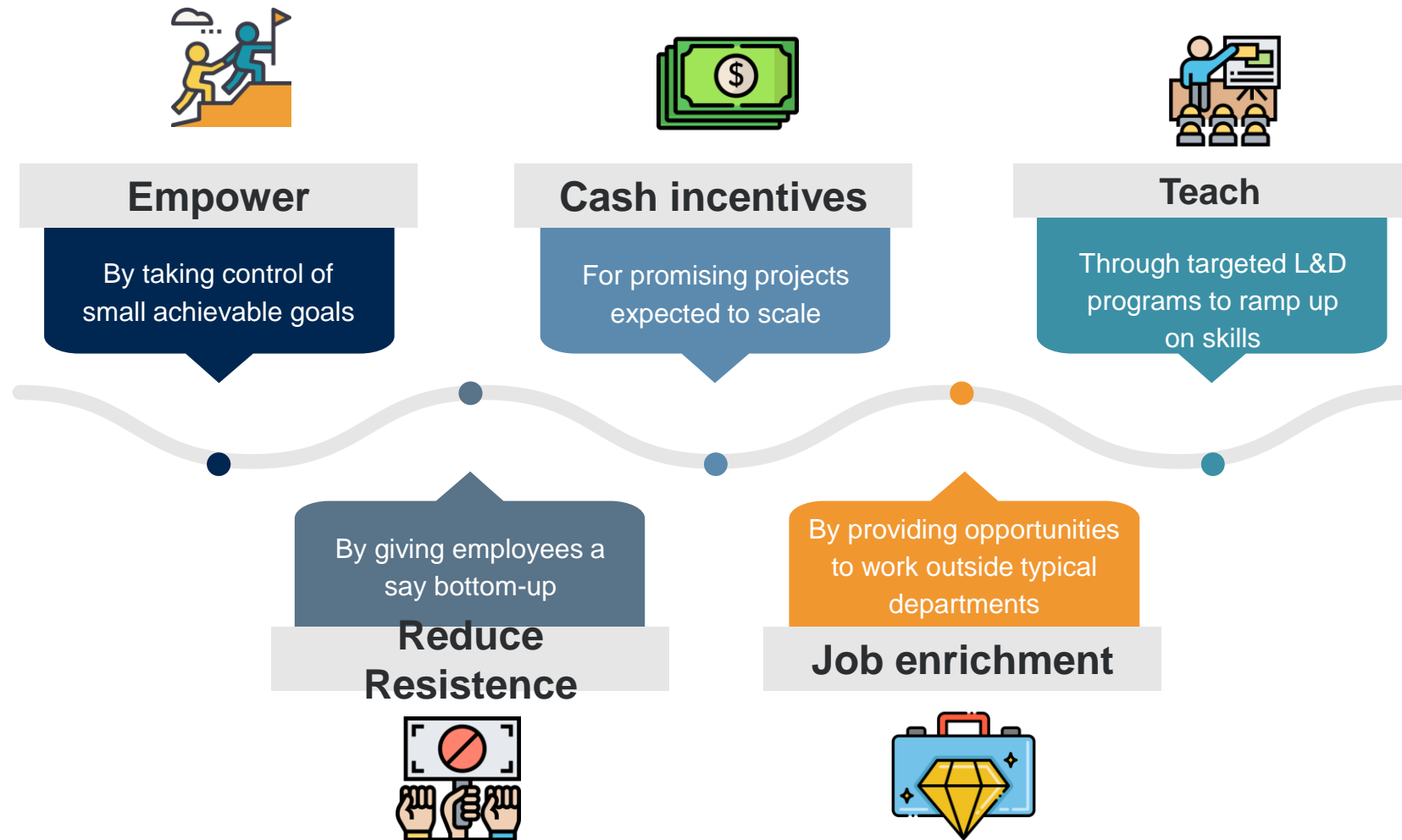


# Pillar 2: Drive

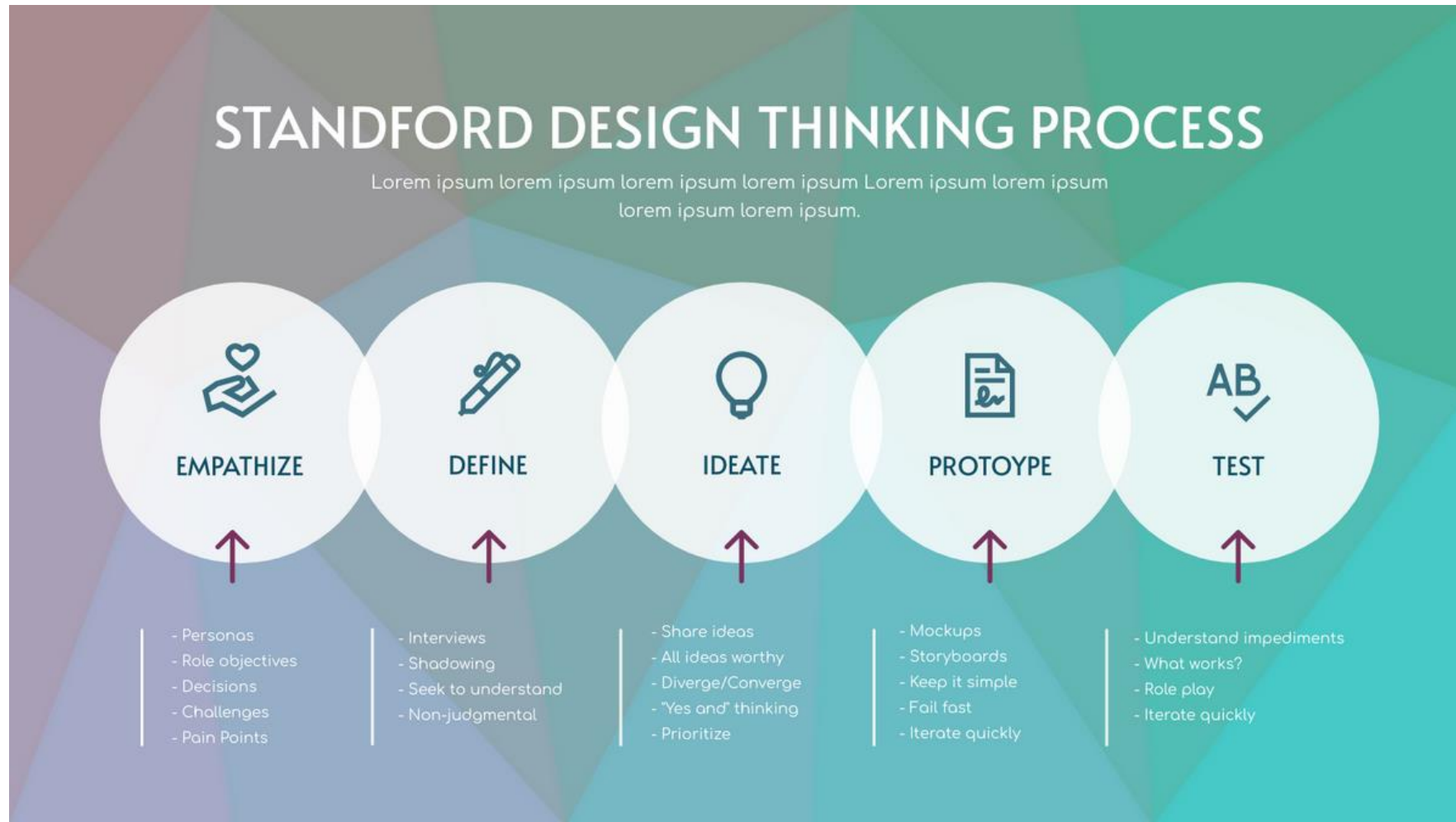
## Appendix

# *Encouraging start-up entrepreneurial spirit will reap several rewards on the short and long-term*

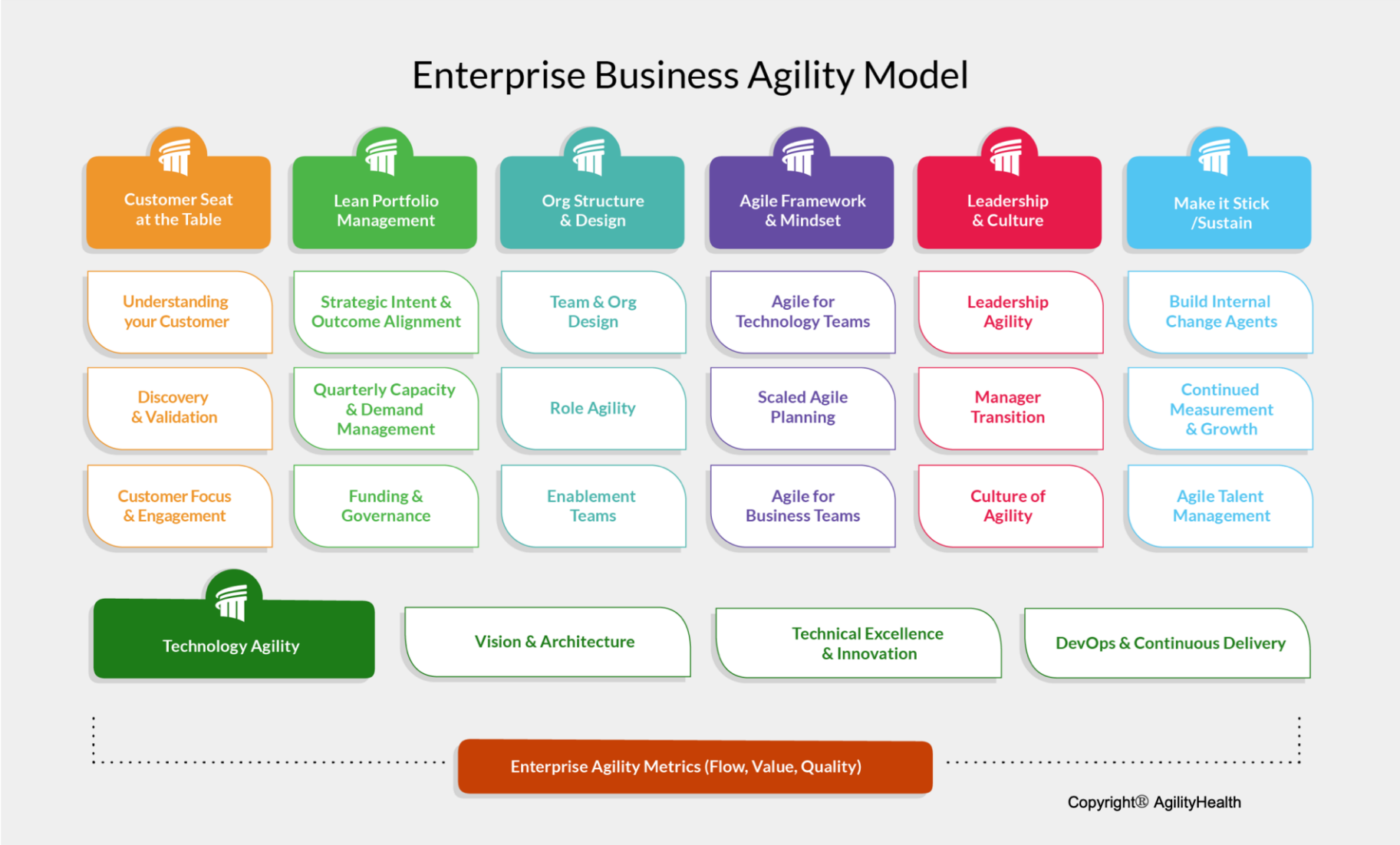
## Rewards overview



# Design thinking process



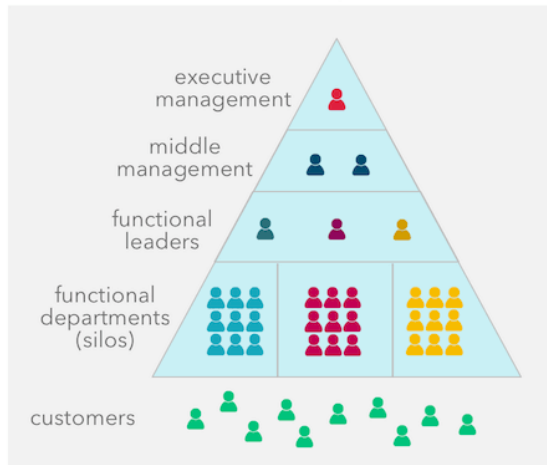
# Enterprise business agility model



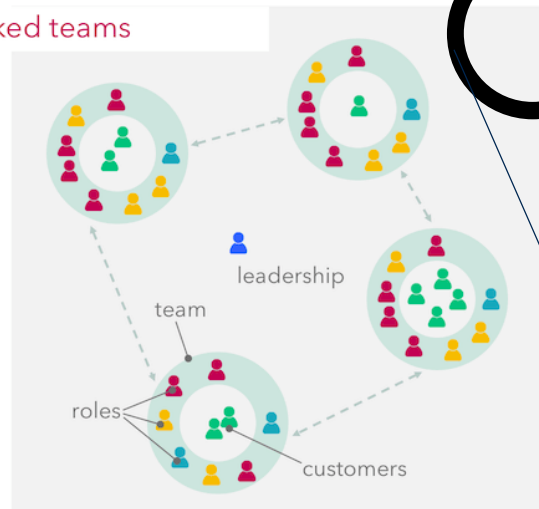
# Agile organization overview

## Agile organization scaling

From hierarchical to **empowered networked teams**

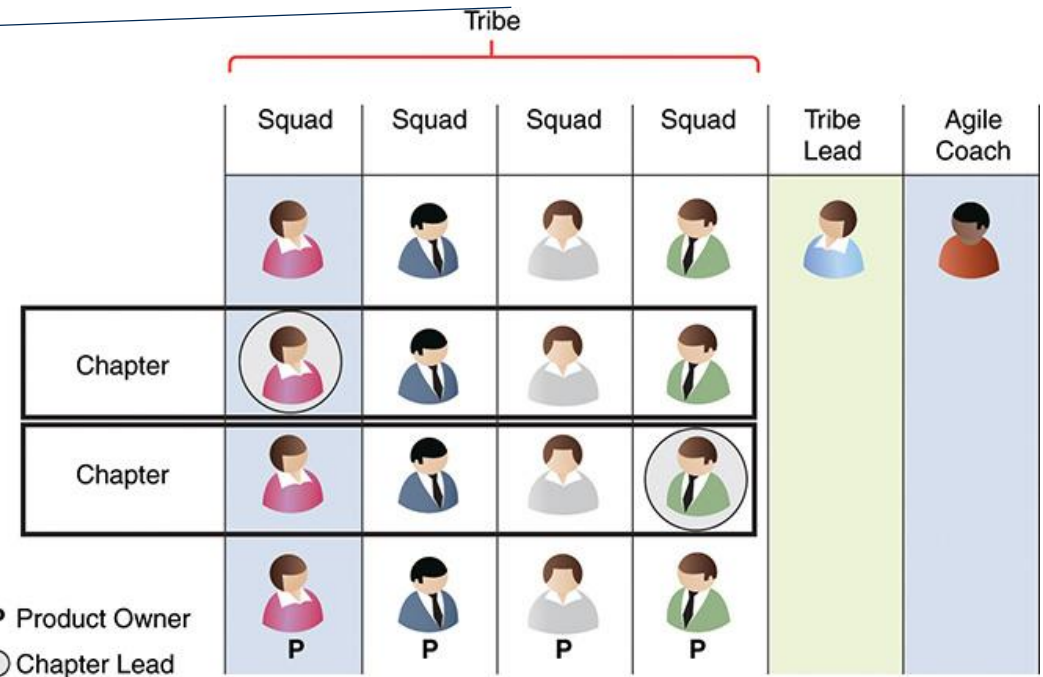


TRADITIONAL  
hierarchy



AGILE  
networked

agile  
ACADEMY



# Caveo learning offerings (1/2)

## Flexible Learning Options Adapted to Your Needs

We design personalized training programs that are both distinguished and effective—world-class, commercial-quality products that you can be proud of.

### vILT: Virtual Instructor-Led Training

It's common to assume a live lesson can simply be recorded and packaged as video training, but attention spans are shorter on a device than in a classroom. Our vILT creates a compelling, interactive experience that works.

[LEARN MORE](#)

### Classroom-Based Learning

Even though this is typically what comes to mind when you think of learning, our style is anything but typical. We'll work with you to develop lessons that are fun, engaging, and memorable long after the class is over.

### Digital/eLearning

When you have staff across various locations or on different schedules, getting everyone trained at the same time can be difficult. Our digital solutions allow for self-paced learning that employees can complete (and repeat) anytime.

[LEARN MORE](#)



# Caveo learning offerings (2/2)

## Game-Based Learning and Simulations

Sometimes, the best way to learn is by doing. Whether virtually or in-person, our game-based and simulation options allow your team members to put their training to the test with enjoyable challenges they can practice until they master the skills.

## Microlearning

Did you know people usually stop absorbing information after spending an average of seven minutes on the same topic? Microlearning breaks down lessons into short, digestible bursts that make it easy to get a quick refresher on a process or concept.

[LEARN MORE](#)

## Mobile Learning

Tools like checklists and manuals that need to be accessed from the field should always be optimized for smartphones and tablets. We consider your needs to design a user experience that wins—no matter the size of the screen.

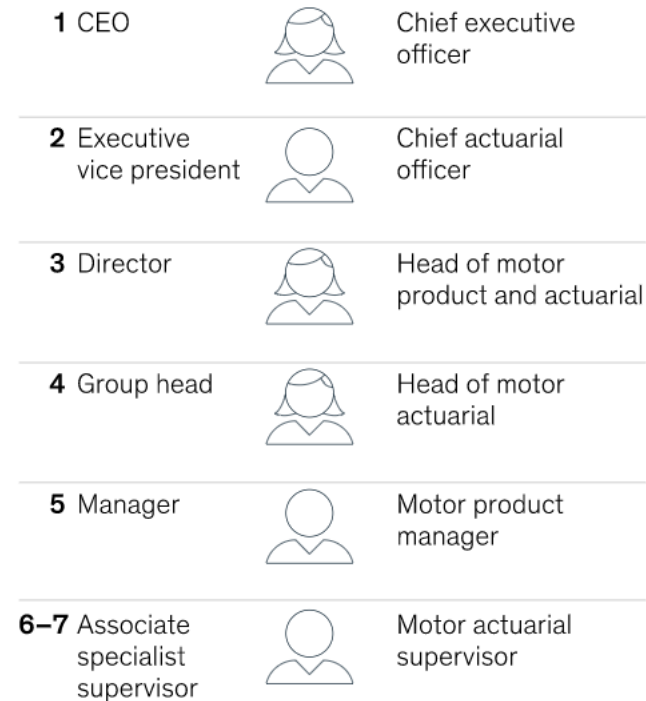
## Blended Learning Programs

No two learners are alike, and certain subject matter may work better in different formats. Our blended learning programs deliver content in a variety of ways to make sure we're covering all the bases and fully resonating with everyone.

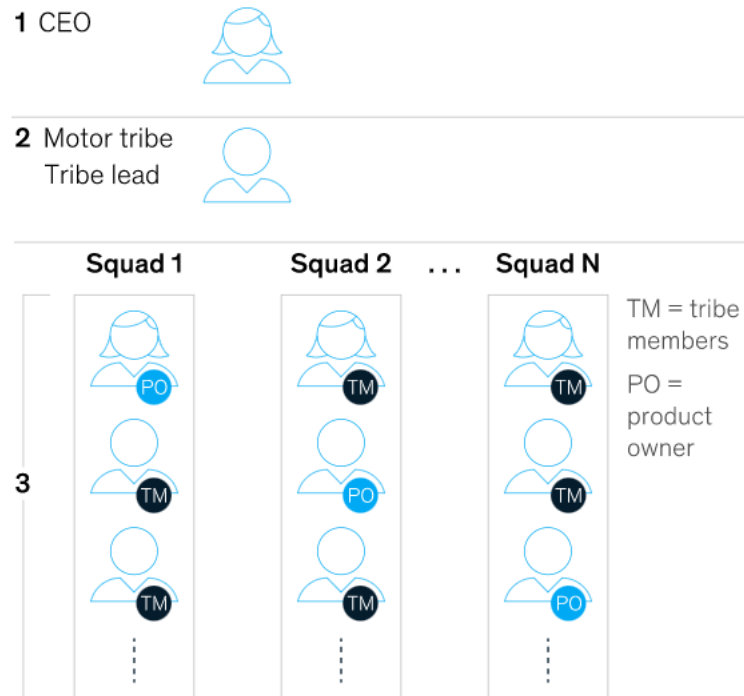
# Traditional vs. Agile Organization - McKinsey Study

Organizational delayering is one result of an agile transformation.

From traditional organization ...



... to agile organization



## Key Takeaway

Agility can help **delayer organizations, simplify governance, and deliver operational efficiency.**

As a result of being faster, leaner, and more effective, agile ways of working typically lead to **improved customer satisfaction and employee engagement**

# IBM Watson & Gjensidige current solutions

Gjensidige builds on 200 years of tradition and service with state-of-the art technology

## Capgemini and IBM Watson help Gjensidige find the voice of its customers

Gjensidige is a leading Norwegian insurance company that has been providing peace of mind to its customers for over 200 years. Gjensidige offers life, health, and asset insurance in both private and commercial sectors in Norway, Sweden, Denmark and the Baltics. In Norway, the company also offers banking, pension, and savings services.

### Challenge

Gjensidige saw a big potential in mining existing data from various operational sources in order to provide better and more streamlined services to its customers, while at the same time increasing the integrity, accessibility, and confidentiality of the customer data. Gjensidige's goal was to centralize the control and collation of data. As the data was often stored as text, it was hard to collate, analyze, process, and present. Furthermore, the data often featured difficult to understand insurance terms that were only manually available and not suitable for normal statistical analysis.

### Overview

**Customer:** Gjensidige

**Industry:** Insurance

**Location:** Norway

**Client Challenges / Business Need:** collect and analyze disparate customer data

**Solution-at-a-glance:** IBM Watson Explorer

#### Results:

- IBM Watson was trained to understand Norwegian and insurance terminology
- Improved analytical capability for management
- Clear information on customer demographics and opinions

# IBM Watson Offerings

Insurers can use artificial intelligence to solve their customer engagement challenges.

By introducing **AI assistants**, they can augment and extend the capabilities of their call center teams.

For example, AI assistants can be trained to answer domain-specific questions and provide relevant information to call-center agents and intermediaries—or even to customers directly.

**Provide answers 24/7.** Whenever a customer needs help, they can get the information they need instantly

**Handle thousands of interactions simultaneously**, so there is no need to keep customers waiting for the next available agent

**Walk customers through routine processes**, and help them complete tasks in seconds without delays or paperwork

**Deliver contextual information** to help customers understand insurance topics at their own pace and make confident, informed decisions

## Conversational AI

## Increase efficiency with automation

Using AI technology to analyze many documents at once can accelerate manual reviews, helping reduce error and increase productivity. Employees can delegate time-consuming, manual tasks to machines and get data-informed insurance policy recommendations in near real-time. Not only can this approach reduce the duration of the underwriting lifecycle, better customer experiences.

## IBM Watson® Discovery

Find answers and trends in your documents. Watson Discovery can learn the language of your industry, no data science expertise required.

## Population Analytics & Automation

# Norway Fintech Landscape



# Impact

## Appendix



# Cost Model

Cost Breakdown	2022	2023	2024	Total
<b>Software Engineering Salaries</b>				
Number of Software Engineers Hired	8	5	3	
Salary per Software Engineer	NOK 750,000	NOK 750,000	NOK 750,000	
Total Software Engineering Salaries	NOK 6,000,000	NOK 3,750,000	NOK 2,250,000	NOK 12,000,000
<b>Chatbot &amp; AI Development</b>				
Number of Chatbot Users	300,000	360,000	432,000	
IBM Watson Enterprise Plan per User	NOK 24	NOK 24	NOK 24	
Total Chatbot & AI Development Costs	NOK 7,200,000	NOK 8,640,000	NOK 10,368,000	NOK 26,208,000
<b>Added IBM Machine Learning Features</b>				
Number of Employee-led Projects	20	28	40	
IBM Enterprise Plan for Watson Studio Price per Project	NOK 55,000	NOK 55,000	NOK 55,000	
Total IBM Enterprise Plan for Watson Studio Costs	NOK 1,100,000	NOK 1,540,000	NOK 2,186,800	NOK 4,826,800
<b>L&amp;D Programs</b>				
Number of Users using Caveo Learning	3,676	3,713	3,750	
Subscription Cost per User	NOK 1,020	NOK 1,020	NOK 1,020	
Total L&D Program Costs	NOK 3,749,520	NOK 3,787,015	NOK 3,824,885	NOK 11,361,421
<b>Budget for Employee-led Projects</b>				
Number of Employee-led Projects	20	28	40	
Allocated Budget for an Employee-led Project	NOK 150,000	NOK 150,000	NOK 150,000	
Total Budget for Employee-led Projects	NOK 3,000,000	NOK 4,200,000	NOK 5,964,000	NOK 13,164,000
Total Incremental Costs	NOK 21,049,520	NOK 21,917,015	NOK 24,593,685	NOK 67,560,221

Assumption

100,000 customers will be using our chatbot that'll increase by 20%  
The Enterprise Plan starts at NOK 2,000 and includes up to 1,000 monthly active users (MAUs)

Gjensidige already uses IBM Watson, the added features will be supplement to the already existing package  
Employee-led projects will be increasing at a growth rate of 20%

Employees are growing at a 1% growth rate  
User Subscription of Caveo Learning is NOK 85 per month

# Operating Income 3 Year Forecast – With Strategy

Annual Standardised in Millions of Norwegian Kroner	2017A	2018A	2019A	2020A	2021A	2022P	2023P	2024P
Period End Date	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
Premiums Generated - from all accounts	26,051	25,721	26,423	28,898	30,406	35,575	38,799	40,795
Reinsurance (Loss)	(685)	(727)	(722)	(637)	0	(933)	(1,026)	(1,103)
Net Investment Income	137	171	158	122	1,254	1,505	1,625	1,747
Realized & Unrealized Gains (Losses)	841	(373)	2,737	190	1,027	0	0	0
<b>Total Operating Revenues</b>	<b>26,344</b>	<b>24,792</b>	<b>28,596</b>	<b>28,573</b>	<b>32,687</b>	<b>36,147</b>	<b>39,398</b>	<b>41,439</b>
Losses, Benefits, and Adjustments	18,064	17,358	17,595	18,808	20,042	21,869	23,245	24,138
Depreciation/Amortization	261	265	256	182	118	129	128	121
Total Interest Expense (Income)	(1,025)	(1,032)	(966)	(1,006)	(747)	(955)	(955)	(955)
Other Operating Expenses	3,827	3,938	3,957	4,247	4,475	4,880	5,122	5,180
<b>Total Operating Expense</b>	<b>21,127</b>	<b>20,529</b>	<b>20,842</b>	<b>22,231</b>	<b>23,888</b>	<b>25,923</b>	<b>27,539</b>	<b>28,483</b>
<b>Total Operating Income (EBIT)</b>	<b>5,217</b>	<b>4,263</b>	<b>7,754</b>	<b>6,342</b>	<b>8,799</b>	<b>10,224</b>	<b>11,859</b>	<b>12,955</b>
<b>Net Income Before Taxes</b>	<b>5,217</b>	<b>4,263</b>	<b>7,754</b>	<b>6,342</b>	<b>8,799</b>	<b>10,224</b>	<b>11,859</b>	<b>12,955</b>
<b>Provisions for Income Taxes</b>	<b>1,157</b>	<b>884</b>	<b>1,198</b>	<b>1,388</b>	<b>1,658</b>	<b>1,840</b>	<b>2,075</b>	<b>2,138</b>
<b>Net Income Before Taxes</b>	<b>4,060</b>	<b>3,379</b>	<b>6,556</b>	<b>4,954</b>	<b>7,141</b>	<b>8,384</b>	<b>9,784</b>	<b>10,818</b>

## Key Assumptions:

Premiums Generated - from all accounts	Summed up all line items, from Investor Relations Annual Reports & EIKON Data, with yearly growth rates assigned.
Net Investment Income	Grew at 20%, 8% and 7.5% respectively.
Reinsurance Loss	Historical % of Total Operating Revenues, averaged at -2.67% and straight-lined.
Realized & Unrealized Gains (Losses)	Due to the ambiguous nature of this line item, we kept it at 0.
Losses, Benefits, and Adjustments	Taken as % of Total Revenues Historically, with marginal improvements YoY at 60.5%, 59% and 58.25%.
Depreciation/Amortization	Taken as % of Total Revenues Historically, and straight-lined.
Total Interest Expense (Income)	Average of previous years and straight-lined.
Other Operating Expenses	Historical % of Total Operating Revenues, with decreasing it as margins improve to forecast.
Provisions for Income Taxes	Averaged out the taxes paid, as they are consistently below Norway's corporate tax rate of 22%.
CAGR - EBIT for the next 3 years.	10.15%
CAGR - Net Income for the next 3 years.	10.94%
CAGR - Premiums Growth	7.62%

Profit Margin (NI/Total Revenues)	15.41%	13.63%	22.93%	17.34%	21.85%	23.19%	24.83%	26.11%
<b>Average Profit Margin for the Next 3 Years (Average of 2022-2024)</b>	<b>24.71%</b>							
Previous Average PM (Averages of 2017-2021)	18.23%							
Growth in PM (Difference between the averages)	35.55%							



# Operating Income 3 Year Forecast – With Strategy – Growth Rates & Margins

Growth Rates & Margins	2022P	2023P	2024P
Period End Date	12/31/2022	12/31/2023	12/31/2024
Premium Growth	17.00%	9.06%	5.14%
Reinsurance Loss as % of TR	-2.58%	-2.60%	-2.66%
Net Investment Income Growth	20.00%	8.00%	7.50%
Operating Revenue Growth - Total	10.58%	8.99%	5.18%
Losses, Benefits & Adjustments as % of OR	60.50%	59.00%	58.25%
D&A as % of OR	0.36%	0.32%	0.29%

# Operating Income 3 Year Forecast – Without Strategy

<i>Annual Standardised in Millions of Norwegian Kroner</i>	<i>2017A</i>	<i>2018A</i>	<i>2019A</i>	<i>2020A</i>	<i>2021A</i>	<i>2022P</i>	<i>2023P</i>	<i>2024P</i>
<i>Period End Date</i>	<i>12/31/2017</i>	<i>12/31/2018</i>	<i>12/31/2019</i>	<i>12/31/2020</i>	<i>12/31/2021</i>	<i>12/31/2022</i>	<i>12/31/2023</i>	<i>12/31/2024</i>
Premiums Generated - from all accounts	26,051	25,721	26,423	28,898	30,406	33,447	35,119	36,875
Reinsurance (Loss)	(685)	(727)	(722)	(637)	0	(933)	(1,026)	(1,103)
Net Investment Income	137	171	158	122	1,254	1,505	1,625	1,747
Realized & Unrealized Gains (Losses)	841	(373)	2,737	190	1,027	0	0	0
<b>Total Operating Revenues</b>	<b>26,344</b>	<b>24,792</b>	<b>28,596</b>	<b>28,573</b>	<b>32,687</b>	<b>34,018</b>	<b>35,718</b>	<b>37,519</b>
Losses, Benefits, and Adjustments	18,064	17,358	17,595	18,808	20,042	21,091	22,145	23,262
Depreciation/Amortization	261	265	256	182	118	119	125	131
Total Interest Expense (Income)	(1,025)	(1,032)	(966)	(1,006)	(747)	(955)	(955)	(955)
Other Operating Expenses	3,827	3,938	3,957	4,247	4,475	4,422	4,643	4,877
<b>Total Operating Expense</b>	<b>21,127</b>	<b>20,529</b>	<b>20,842</b>	<b>22,231</b>	<b>23,888</b>	<b>24,678</b>	<b>25,958</b>	<b>27,315</b>
<b>Total Operating Income (EBIT)</b>	<b>5,217</b>	<b>4,263</b>	<b>7,754</b>	<b>6,342</b>	<b>8,799</b>	<b>9,341</b>	<b>9,760</b>	<b>10,204</b>
<b>Net Income Before Taxes</b>	<b>5,217</b>	<b>4,263</b>	<b>7,754</b>	<b>6,342</b>	<b>8,799</b>	<b>9,341</b>	<b>9,760</b>	<b>10,204</b>
Provisions for Income Taxes	1,157	884	1,198	1,388	1,658	1,681	1,757	1,837
<b>Net Income After Taxes</b>	<b>4,060</b>	<b>3,379</b>	<b>6,556</b>	<b>4,954</b>	<b>7,141</b>	<b>7,659</b>	<b>8,003</b>	<b>8,367</b>

# Operating Income 3 Year Forecast – Without Strategy – Growth Rates & Margins

Growth Rates & Margins	2022P	2023P	2024P
Period End Date	12/31/2022	12/31/2023	12/31/2024
Premium Growth	10.00%	5.00%	5.00%
Operating Revenue Growth - Total	4.07%	5.00%	5.04%
Losses, Benefits & Adjustments as % of OR	62.00%	62.00%	62.00%
D&A as % of OR	0.35%	0.35%	0.35%
Other Operating Expenses as % of OR	13.00%	13.00%	13.00%
Tax Rate	18.00%	18.00%	18.00%

# Incremental Operating Income (Change Between Strategy & Without Strategy)

		2022P	2023P	2024P
Change in EBIT between Strategy & Without Strategy		884	2,099	2,752
Change in Net Income between Strategy & Without Strategy		725	1,781	2,451
Total Incremental Expenses	kr 675.60			

Discount Rate of the Strategy	6.43%
Net Present Value of Strategy - EBIT	kr 2,126.75
Net Present Value of Strategy - Net Income	kr 1,487.53

Source: Coupon Rate on Bonds YTM from EIKON + Norway's Cost of Equity obtained from GURUFOCUS - However, due to inflation and rate hikes, this would be impacted.

The Net Present Value here is calculated as the difference between the growth of EBIT between the strategy and the one without it. The Incremental Costs are over 4 Years.

The Net Present Value here is calculated as the difference between the growth of NI between the strategy and the one without it.

Both NPV approaches use a discount rate of 6.43%, as this is the estimated WACC of the company.

**Return on Investment 75.63%** The ROI is calculated as the sum of the delta of EBITs (Line 61) divided by the sum of incremental and other operating costs.

# NPV Sensitivity Analysis

NPV Sensitivity Analysis		Discount Rate of the Strategy
Net Present Value of Strategy - EBIT	kr 2,058.98	7.0%
Net Present Value of Strategy - EBIT	kr 2,000.98	7.5%
Net Present Value of Strategy - EBIT	kr 1,888.91	8.5%
Net Present Value of Strategy - EBIT	kr 1,730.11	10.0%
<i>Alternative Discount Rates due to Inflation.</i>		
Net Present Value of Strategy - Net Income	kr 1,430.40	
Net Present Value of Strategy - Net Income	kr 1,381.55	
Net Present Value of Strategy - Net Income	kr 1,287.22	
Net Present Value of Strategy - Net Income	kr 1,153.76	

# KPI Deep Dive: Increasing Net Promoter Score

The net promoter score is the difference between favorable and non-favorable ratings			
Current Net Promoter Score:	28		
KPI: Net Promoter Score	2022	2023	2024
Favorable Reviews	48%	50%	53%
Neutral Reviews	32%	32%	30%
Unfavorable Reviews	20%	18%	17%
Total	100%	100%	100%
Net Promoter Score	28	33	36
Growth Rates	2022	2023	2024
Favorable %	1%	2%	3%
Neutral %	1%	1%	1%
Unfavorable %	2%	1%	1%

## Agile Workplace Benchmark

## Net Promoter Score

ING	51.8
Google	39
Spotify	54
Amazon	62
Netflix	68

# KPI Deep Dive: Increasing Employee Engagement Score

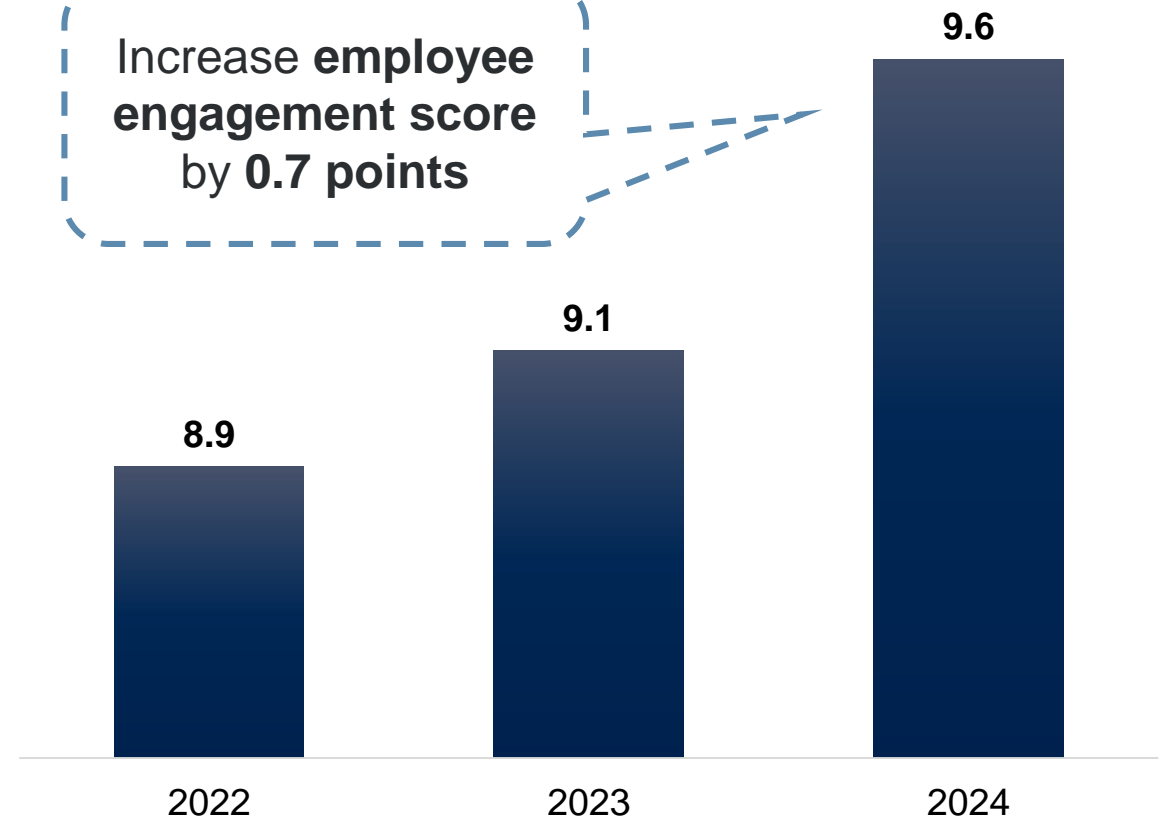
## Employee Engagement Score

Through “My Voice”, Gjensidige can keep track of **employee engagement** through **monthly surveys** and determine the effectiveness of our ID strategy that’s set to **increase employee engagement by 0.7 points**



“On a scale of 0 to 10, how likely are you to recommend working at Gjensidige to a friend or colleague?”

Increase **employee engagement score** by **0.7 points**



# **Risks & Mitigations**

## **Appendix**



# Risk #1 Mitigation: Achieving Carbon-Neutrality at Gjensidige



## Carbon neutrality at Zurich



ZURICH®



We follow a three-step approach:



Improving operational efficiency (space efficiency, energy efficiency, reducing business travel, etc.)



Increasing the percentage of renewable energy purchased (hydro, solar, wind, etc.)



Offsetting remaining carbon emissions by purchasing gold-level certified carbon credits from the [Rimba Raya Biodiversity Reserve project](#).

## Risk #2 Mitigation: Implementing Blockchain

Key insurance industry players launched the Blockchain Insurance Industry Initiative B3i ...



... which aims to explore the potential of distributed ledger technologies

The B3i logo, consisting of the letters 'B3i' in a bold, green, sans-serif font. To the right of the text are two green squares, one above the other, connected by thin green lines to the 'i'.

**Better serve clients** through **faster**, more **convenient** and **secure** services by using **blockchain technology**

# Risk #3 Mitigation: Complying with International Standards

