

## Lessons in leadership: A perspective from a leading insurer



**Dr Frieder Rummel**, Head of Human Resources, Allianz Asia Pacific, says that talent management and succession planning are cornerstones of every successful organisation. We examine how, in his eyes, Allianz is building and succeeding in this area.

By Min Yong

Allianz has an ambitious goal: To build the world's strongest financial community on the foundations of strong partnership, quality, mutual trust and integrity. To do this, it hinges on "the support of an excellent leadership team," Dr Frieder Rummel asserted.

Elaborating this, he said that there is a strong correlation between good leadership and customer satisfaction. Based on data from 13 Allianz entities in Asia, Europe and America in 2007, it is noted that organisations with a higher engagement level tend to have a higher Net Promoter Score (NPS), a customer loyalty metric from Bain & Co.

He added: "It is intuitively very convincing because if they are engaged employees, it means they are willing to go the extra mile to help their customers. But if they are totally disengaged, then their customers' will feel that too."

### HR programmes

Allianz is present in 15 countries in Asia Pacific, providing a comprehensive range of insurance and asset management products to its 21 million customers and employs over 34,000 people.

To build the required excellent leadership team for all these people, Dr Rummel keeps abreast of the employees' needs, works to develop their potential and imbues a strong management culture in its workforce.

Keeping in mind that the company's' success relies on engaged employees and leaders, he explained that leadership development rests on three pillars:

- **Annual Career Development Conferences** – these help to identify leaders and those with high potential for future fit, succession planning and future career plans;
- **Individual Development** – in areas such as functional skills and personal training by mentoring, giving international project involvement, allowing job rotations and lateral moves, and assigning cross-functional projects;

- **Allianz Management Institute (AMI)** – Allianz' corporate university to develop leadership and management skills. This also includes the Allianz Asia Academy.

### Educating future leaders and technical experts

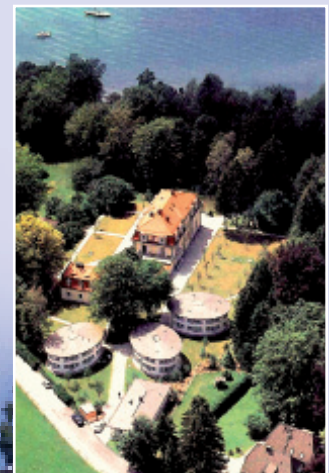
Turning to the AMI, it is the first corporate university in Europe to be accredited as a quality corporate training institution by the European Foundation for Management Development - for Corporate Learning Improvement Process. The university is based in Germany's Kempfenhausen and held 24 events over 110 days involving 480 attendees from 38 countries last year, followed by over 30 days of Board Member participation.

For this year, Allianz touted over 30 programmes in local academies as in Singapore, Munich, Kempfenhausen, Paris, London and Minneapolis – with the purpose of enabling both corporate and individual success. The training competencies include teaching results orientation, developing capability, driving change and innovation and leading people.

AMI's mandate is from the Allianz Board of Management. "We design and execute programmes to address strategic challenges, and network with our local colleagues to ensure message consistency," said Dr Rummel.

Last year, 18 managers were selected from China, Hong Kong, Indonesia, Malaysia, Singapore, Thailand and Taiwan to take part in the Future Leaders Program at the Allianz Asia Academy. Under the intensive 9-month training held in Singapore and Beijing, the key focus was on leadership competencies.

Besides leadership courses, Allianz also looks at technical training and last year, about 200 staff were trained in functional areas such as actuarial mathematics, communication expertise and auditing while currently, young actuaries from China and Thailand are attending a four-month global special training in Germany and Italy.



## Programs of Allianz Management Institute (AMI) Asia in 2008

AMI Asia				
Leadership Development Programs	Training Programs		Technical Training Programs	Functional Programs
	Scheduled	On-Demand		
Allianz New Manager Program (ANM)	Effective Communication and Negotiation Program	Teambuilding - Myers-Briggs Type Indicator®	D&O Underwriting School	Sales & Distribution: Agency Executive Development Program (AEDP)
Allianz Future Leader Program (AFL)	Knowing Allianz – One World, Many Faces	The 7 Habits of Highly Effective People	Life / Health Underwriting	
	Allianz Insurance Management Simulation (AIMS)	Learning Express by The Mind Gym – 90 Minute Workouts		
	Financial Fundamentals of the Allianz Business	Effective Coaching & Feedback Skills		
				
<p><b>The AMI Asia</b> is the umbrella for all training and leadership development initiatives in Asia. Training is aimed at enhancing employees' skills and knowledge to improve performance in their current jobs and roles; development is geared towards preparing potentials for leadership transitions.</p>			<ol style="list-style-type: none"> <li><b>1. Learning:</b> Quality education &amp; development of human capital in Asia</li> <li><b>2. Localization:</b> Leadership continuity in Asia</li> <li><b>3. Leverage:</b> Networking &amp; knowledge sharing amongst current/future leaders in Asia</li> </ol>	

### Being a reliable employer

Reiterating that talent and leadership management processes are cornerstones of Allianz' business and that these are key factors which attract new people to them and which retain existing staff as well, he said: "We have regular discussions with our people, finding out their needs and what is needed for us to develop them in their current jobs as well as for future potential jobs."

At the same time, he noted that people look out for an employer that they can rely on in times of crisis.

Dr Rummel said that Allianz is able to fill these big boots as it has experienced a number of highs and lows in the 119 years since the company was founded and had survived very well each time.

"Two world wars, the global economic crisis in 1929, the oil crisis at the beginning of the 1970s, September 11, and now, we are once again in the midst of a difficult crisis where Allianz has retained and even strengthened a top position among international insurers," he assured.

Explaining their strategy succinctly, he added: "We plan for the long-term, have a conservative profile and work with integrity and reliability. This strategy does not only apply to our business but to the development of our staff, take the career of an chief executive manager for instance. Mr Wilf Blackburn started as CEO of a small unit in the Philippines, moved to Singapore to head the life and health department for Asia Pacific, took over as CEO of our large life insurance business in Thailand and just recently became CEO of our Life entity in China, one of Allianz core growth markets worldwide."

### Exciting job appeal

Dr Rummel also highlighted that a career in insurance is a lot more exciting these days as companies are involved in all kinds of work and it is no longer just a desk job.

"For instance, Allianz has a lot to offer: coordinating the distribution of micro-insurance for fishermen in Indonesia's Banda Aceh; analysing the insurance for an Indian wedding during the monsoon season; calculating the risk of a potential earthquake to hit a major infrastructure project in Asia," he said, naming just a few of the more unusual work under the roof of Allianz in Asia.

### Pace and demands in Asia faster and higher

Certainly, looking after the needs of more than 34,000 people which in turn impacts the business results of the company is a formidable task.

Having been in Asia for two years, Dr Rummel noted the key differences between Europe and Asia, and the potential challenges of engaging employees in Asia.

"The pace and demands of the industry here are higher because there is so much more growth and people have more opportunities. Employers have to do more to be attractive and do more to win people for the company, have to do more to retain people and in view of the dynamics of business and pace – invest more seriously in development," he said.

All this makes the region a very exciting one and his job itself an exhilarating one, a fact he is happy to tell you about as he dismissed preconceived ideas that insurance is a boring job. 