Kliesow: Prospects bright for PH insurance industry

By MARY GRACE PADIN

Compared to more developed countries, the Philippines’ insurance industry is still relatively young, with a low penetration rate — defined as the insurance sector’s contribution to gross domestic product — of only 1.6 percent in 2016.

As such, the Philippine Life Insurance Association Inc. (PLIA), one of the leading insurance groups in the country, is persistent in its efforts to capture the untapped segment of the market.

This year, the group decided to shake things up and tap German national Olaf Kliesow, president and chief executive officer of Allianz PNB Life Insurance Inc., to become the new president of PLIA.

Kliesow is the first non-Filipino leader of the PLIA, the umbrella organization of 30 life insurance firms operating in the country.

He brings in almost two decades of experience and global perspective to the local life insurance business, having served insurance companies, including Allianz SE, in different countries all over the world.

A law graduate from the University of Bonn in Germany, Kliesow spent majority of his 20-year career in the finance consulting industry, working in top management positions in companies from Germany to Japan and now, the Philippines.

The new PLIA president said the switch from law to insurance in 2013 to lead the Global Life and Health Business Development group of Allianz SE.

In June 2016, the lawyer-turned insurance executive moved to Manila to head the local operations of Allianz, which just returned to the local market after a 12-year hiatus by acquiring 51 percent of PNB Life Insurance Inc. — one of the biggest life insurers in the country.

"For Allianz, this is my third assignment. The first one was heading the life operations in Japan, and then I went to Munich to head the life department. And then one and a half years ago, I came to the Philippines," he said.

This was not an easy task for Kliesow as Allianz was starting again to make its presence felt in the local insurance arena.

To gain a stronger foothold in the local market, the German insurance giant entered into a 15-year exclusive distribution or bancassurance partnership with the Philippine National Bank, which now serves as its main distribution channel through the bank’s 660 branches nationwide.

Despite a hectic start, Allianz PNB Life immediately emerged as the 13th largest life insurance company in the country, according to the Insurance Commission (IC) in its 2017 report.

"The main focus of PLIA will continue to be the promotion of life insurance in the Philippines, in line of the relatively low penetration rate," he said.

He said the organization would continue to collaborate with the Foundation for the Advancement of Life Insurance Around the World (FALIA) and once again host an essay writing competition for Filipino senior high school students centering on the role of insurance products in the society.

Kliesow said the PLIA would also work together with the Insurance Commission (IC) in coming up with policies and regulatory framework that would also improve the lives of Filipinos.

Rich in natural beauty yet steeped in poverty, there seems little hope left for the province of Samar to develop economically and socially. But Governor Simeon Tagalog Tan wants to prove otherwise. Third-termer Tan has been spearheading a development plan anchored on tourism and agriculture. Called the “Spark Samar,” the governor wants tourists to see its jungles, caves, seas, falls, and rivers.

More than just developing tourist spots, “Spark Samar” is also aimed at strengthening the province’s health system to make sure visiting adventure-seekers have access to emergency and healthcare services, clean water and sanitation facilities.

The ongoing reforms in Samar’s provincial health system (jumpstarted when Tan enrolled in the “Provincial Leadership and Governance Program” of the Zuellig Family Foundation in 2013. The training program taught her the value of systems thinking and engaging stakeholders so they can work together to address challenges and societal inequities, hence, the creation of a core group composed of her trusted allies, and people’s organizations who come from the local villages.

Aside from “Spark Samar,” the core group has also been instrumental in fixing Samar’s two main hospitals — Samar Provincial Hospital and Calbayog District Hospital. Constantly criticized for the poorly-run facilities, Tan added that she, too, often lacked sleep trying to look for blood for patients in these facilities.

Reforms began with the healthcare personnel. Dialogues were held to thresh out issues and settle them in the hopes the personnel start serving with passion again. Tan also met her mayors so they can fix their respective rural health units (RHU).

Resources provided by the provincial government into the public health fund was used to help sustain the 4-in-1 PhilHealth accreditation of RHU in all 26 municipalities. It was also used to implement the point-of-service enrollment of indigents to PhilHealth.

With the PhilHealth accreditation, the provincial government had more resources to fund improve-
firm in the country with a total premium income of $2.71 billion and net income of P263.97 million during the same year.

Khosrow is confident Allianz Life PNB Life will continue to work toward the goal of 10 biggest insurance players in the country with a better performance results for 2012. The company recorded a 250 percent sales increases last year, among others.

PLIA leader

As the president of the organization, Khosrow said that we advance the insurance industry's goals, and spread the word about the significance of help the industry grow even further. The industry group has been adhering and disseminating on the creation of the regulatory framework that will encourage insurance companies to expand in their investments, and public-private partnership projects, according to Khosrow. "As an industry, we would like to invest more on infrastructure there are still some hurdles that need to be taken. So we're working with the Insurance Commission on a framework that will stimulate industry infrastructure investment," Khosrow said, adding that the "group will continue to work on future ahead for the local life insurance industry amid the country's sound economic prospects.

For the Philippines, the outlook is extremely solid in my point of view. The GDP growth, inflation, lower unemployment. And I think the tax reform will actually support infrastructure development," Khosrow said.

With these prospects, Khosrow expects the insurance industry to sustain the strong double-digit growth recorded last year.

In 2017, life insurance premiums rose by 107.7 percent to P202.34 billion from P182.72 billion in the previous year.

Great employee experiences key to business growth, success

We often hear of companies, professing that their people are their number one asset. Upon closer examination, it does not surprise many organizations to find this to be true. Sitel is one such organization. Here, people first is a mantra that deeply resonates in the company's culture. And it is seen and felt across all levels of the organization.

Sitel's people first culture derives from its Human Resources practice, Harry Enriquez, vice president of Operations at Sitel Philippines, is a huge proponent of people first and a believer that providing great employee experiences is key to business growth and success. Enriquez recently won the People Manager of the Year given by the People Management Association of the Philippines (PMAP).

"Sitel has evolved for the better, allowing our people the best in terms of employee benefits, training, and development, and investing in technology. Our people programs have made Sitel a preferred employer in communities where we operate," Enriquez said.

Shift in focus

Sitel is committed to the success of its employees, and it has been recognized with awards. In 2014, situates created the Global HR Centers of Excellence which has proven to lead talent acquisition (or recruitment). "It is an amazing opportunity for me to learn about the best-in-class talent acquisition strategies and practices, cutting-edge technologies and tools," Enriquez said.

After six years in HR, Enriquez decided to shift to Operations. "That extension of experiences before going into HR, so moving back to Operations was not a major change. The program took in Harvard as well prepared me well to be a leader and accountability responsibility," Haidee said her HR background gave her a distinct advantage of understanding both the drivers of business growth and people management practices. Finding and nurturing the right talent

Enriquez has always upheld the importance of finding and developing the right talent. "We're in a situation where the right people might sound basic, but having the right people in the right job is really critical. And it's not just finding people, we're looking for leaders that are driven," Enriquez said.

Our partnership with the local government units, the academic sector, and our community stakeholders helped tremendously," Enriquez said.

Sitel's Puto, Pinang Payanan project became the city's largest direct employer in just a year of operation. "This is a win-win for everyone involved. Sitel translated the boundaries and taking risks can make a profound difference in its market. It's a win-win for everyone involved, " Enrichez said.

Looking ahead

As vice president of Operations for Sitel Philippines, Enriquez said her vision is for Sitel to become a "best-in-class" company. Enriquez added that the company has a strong culture of giving back to the community.

"Our mission is to be a leader in providing world-class customer experience while contributing positively to the communities we serve. We believe in the power of collaboration and partnerships to create a positive impact," Enriquez said.

Fortunately, tourism numbers have been encouraging.

Tourist arrivals as of September 2017 stood at 1,936,380, up 60 percent from the 1,386,018 visitors between 2012 and 2013. Last year, Palawan earned P1.13 billion from tourism between January and September. Last year, Sitel's Puto, Pinang Payanan project earned P1.13 billion in 2016. In Basay, where the Sotong caves are located, income from tourism was P3.4 million in 2016. In the first nine months of 2017, Basay earned P1.27 million from tourism alone.

Enriquez said her vision is for Puto, Pinang Payanan to be known not just as the "best island in the world" but also as "the best contact center destination globally." She said the project is a result of the Sitel Foundation's ongoing efforts to support education initiatives. "We believe in the power of collaboration and partnerships to create a positive impact," Enriquez said.

"Our vision is to make Sitel the first choice for companies looking to outsource their customer experience needs. We are committed to providing world-class service while contributing positively to the communities we serve," Enriquez said.