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# Kliesow: Prospects bright for Phl 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 position of companies from Germany to Japan and now, the Philippines.

The new PLIA president said the switch from law to insur-

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.

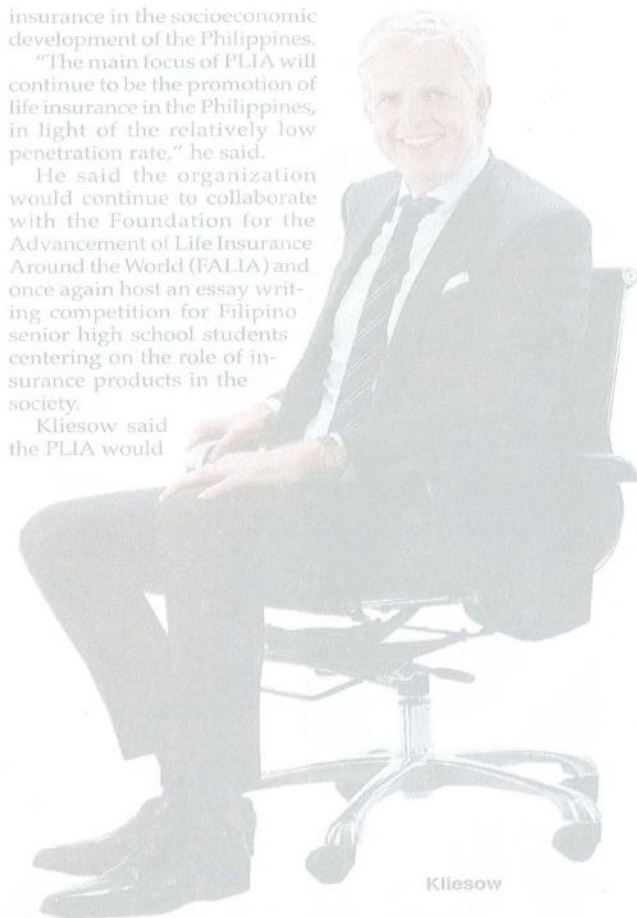
Despite a hectic start, Allianz PNB Life immediately emerged as the 13th largest life insurance

insurance in the socioeconomic development of the Philippines.

"The main focus of PLIA will continue to be the promotion of life insurance in the Philippines, in light 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



Kliesow

also work together with the Insurance Commission (IC) in coming up with policies and regulatory framework that would

this. It's one of the top priorities for 2018."

Going forward, the PLIA president said he sees a bright-



Tan

## Woman brings 'Spark' to uplift Samar

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 Sharee Ann Tan wants to prove otherwise. Third-termer Tan has been spearheading a development plan anchored in tourism and agriculture. Called the "Spark Samar," the governor wants tourists to see their 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 (SPH) and Calbayog District Hospital (CDH). Constantly criticized for the poorly-run hospitals, 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-

ance came naturally to him, and in 2000, Kliesow made the big leap when he accepted an offer to work for an insurance firm in Japan.

"It was a great opportunity for me to combine two things — work in Japan and set up an insurance company. I was working then as a lawyer for a financial consulting company, so a number of our clients were from the financial industry. And one that at that time was Allianz," he said.

In 2010, Kliesow was promoted to head the Allianz Life Japan. He worked there for another three years, before he returned to Munich, Germany

firm in the country with a total premium income of P2.71 billion in 2016. It also reported a net income of P263.97 million during the same year.

Kliesow is confident Allianz PNB Life will continue its ascent toward the group of 10 biggest insurance players in the country with a better-than-expected performance results for 2017. The company recorded a 250 percent sales increase in first year premium, among others.

#### PLIA leader

As the president of the organization, Kliesow vows to advance the insurance industry's goals, and spread the word about the significance of

help the industry grow even further. The industry group has started discussions with the IC on the creation of the regulatory framework that would encourage insurance companies to increase their investments in infrastructure and public-private partnership projects, according to Kliesow.

"As an industry, we would like to invest more on infrastructure but there are still some hurdles that must be taken. So we're working with the Insurance Commission on a framework that will support infrastructure investment," Kliesow said, adding that "the group will continue to work on

er 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," Kliesow said.

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

In 2017, life insurance premiums rose by 10.7 percent to P202.341 billion from P182.794 billion in the previous year.

## Great employee experiences key to business growth, success

We often hear or read companies professing that their people are their number one asset. Upon closer examination, it is no surprise many organizations will be found wanting. But not Sitel. Here, people first is a mantra that its leaders live by, being deeply ingrained in the company's culture. And it is seen and felt across all levels of the organization.

Sitel's people first culture drives its Human Resources practice. Haidee 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 — we now focus on giving 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.

#### Career shift

Shifting from a career in Human Resources to Opera-

tions was a good decision for Haidee. Her HR experience made her uniquely positioned to manage people-intensive companies such as Business Process Outsourcing (BPO) operations. After completing her executive management education at Harvard Business School, Enriquez joined global BPO company, Sitel, in 2009 as vice president of HR for Asia Pacific, handling several HR disciplines, from recruitment to compensation and benefits, talent management, and organizational development.

In 2014, Sitel created the global HR Centers of Excellence and Enriquez was chosen to lead talent acquisition (or recruitment). "It was an enriching experience because it exposed me to 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. "I had extensive operations experience before going into HR, so moving back to Operations was not a radical change. The program I took in Harvard also prepared me well for a broader general management responsibility." Haidee said her HR background gave

her a distinct advantage of understanding both the drivers of business results and good people management practices.

#### Finding and nurturing the right talent

Enriquez has always upheld the importance of finding and nurturing the right people. "It might sound blasé, but having the right people in the right job is really critical. And it doesn't stop there, because as leaders, we must ensure that employees have the tools, resources and support they need to be successful."

"We build talent at all levels. What makes Sitel's approach different is that we don't just develop the skills and competencies of Sitel employees, we also invest in resources to develop the skills of aspiring BPO professionals," Enriquez proudly shared.

Sitel's growth in greenfield areas also saw the need for mid-level managers. To better prepare managers, Sitel started the "PathFinders" training program designed to equip line managers from other industries with the competencies to manage contact center operations.

#### Looking ahead

As vice president of Operations for Sitel's first center in Puerto Princesa, Palawan

Enriquez said her vision is for Palawan to be known not just as "the best island in the world" but also as "the best contact center destination globally." "It took a lot of courage and foresight to become a trail-blazer and a first-mover in this market. Fortunately, I work with a visionary chief operating officer who is also a results-driven leader. Our partnership with the local government units, the academic sector, and community stakeholders helped tremendously," Enriquez said. Sitel's Puerto Princesa center became the city's largest direct employer in just a year of operations — proof that pushing boundaries and taking risks can make a profound difference in

this market.

"I find challenge and a sense of purpose in turn-around and start-up business situations. If I didn't take on the challenge of leaving my HR comfort zone to lead Sitel's expansion in Palawan, I would have deprived myself of

ments in health infrastructures, pay health workers' compensation and purchase health equipment.

Having the public health fund also addressed the lack of blood supply in SPH and CDH. Both hospitals no longer run out safe blood and medicines. With stable supplies, the hospitals are able to perform more needed surgeries.

For 2018, the Department of Health Region VIII office agreed to give Samar P1.2 million for the construction of three health facilities near tourist spots in the towns of Basey, Marabut, and Paranas.

These reforms have translated to better health indicators. Infant death cases dropped from 93 in 2011 to just 17 in 2016. Maternal deaths also fell from 17 to six in the same period. In the same period, too, overall mortality dropped from 2,070 to 913.

But Tan, one of only a handful of woman-governors in the country, knows huge investments in health are needed if they are to sustain the headways they have made. She hopes revenues from "Spark Samar" will cover these.

Fortunately, tourism numbers have been encouraging.

Tourist arrivals as of September 2017 stood at 223,863, up 90 percent from the 188,018 visitors between 2012 and 2013. Last year, Paranas villagers earned P1.13 million from tourism between January and September, up from their full year income of P0.5 million in 2016. In Basey, where the Sohoton caves are located, income from tourism was P3.4 million in 2016. In the first nine months of 2017, Basey earned P2.7 million from tourism alone.

the sense of fulfillment that comes from being part of this milestone project. I am proud that Sitel Princesa has given jobs and auxiliary businesses to thousands of my fellow Palawenos and that we have positively contributed to this community," Enriquez said.



Haidee Enriquez with the Sitel Philippines Palawan Leadership Team