



INTERVIEW | PANKAJ RAZDAN

# 'We have shifted from selling to counselling'

Insurer also looking to hire a large pool of women advisers

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*With an increase in awareness about insurance, that got a fillip from demonetisation and the consistent growth in GDP, an upswing in the business is projected to continue. Private life insurers envisage strong business growth. In an interview, Pankaj Razdan, Managing Director and CEO, Birla Sun Life Insurance (BSLI) explains the growth strategy for private life insurers. Edited excerpts:*

**How has the journey been for Birla Sun Life Insurance in the past five years?**

■ For Birla Sun Life Insurance (BSLI), the last five years have been about increasing the customer trust surplus, strong focus on customer-centric innovations and creating sustainable growth through productivity.

Riding on unique solutions and offerings, technological innovations, strong distribution model based on the CPS (Capacity, Productivity and Sustainability) framework and keeping protection counselling at its core, the company has been strengthening its position in the market year-on-year.

In FY17 BSLI grew at 35% with quarter-on-quarter growth (individual business) of 54% and 44% in Q3 and Q4 respectively.

The company also successfully came closer to understand the customer mindset and set trends in policy buying and selling leading to an improvement in the 13th month persistency to 70.5% this year against 63.5% last year and 58% in FY14.



**We have adopted a 'trust-based model' to attain sustainable growth**

This also led to reduction in complaints by 39% in FY17.

BSLI witnessed the contribution from the traditional business growing to 70% as compared to 63% a year earlier. It focused on value-driven growth while creating a digitally robust organisation to continue to drive superior customer experience at lower cost over the last five years.

**Most of the insurance companies are reworking their business model. What is BSLI's strategy to stay competitive?**

■ Our focus to stay competitive has been by driving value-accretive growth and enhancing customer trust surplus.

We have shifted our stance from selling to counselling which involves understanding the need of the customers better.

The process of counselling is through a self discovery process which ultimately led to trust surplus amongst customers. This has been achieved by creating a design and innovation team internally

which looks at every individual problem and has a design approach to create solutions which are long lasting and sustainable.

All this method, once used, helped us to garner sustainable growth led by improvement in productivity.

**BSLI has reduced its headcount in the past few years, what is the scenario now and how has it helped growth?**

■ The company has adopted a 'trust-based model' to attain sustainable growth riding on productivity. Here every individual is focused on delivering an outcome desired and needed by the customer.

This has led to increase in the customer trust surplus and persistency for all our business lines.

We are focused on growing our business both quantitatively and qualitatively.

Therefore, the focus is on hiring quality advisors and investing highly on their training and hand-holding them to help them emerge as successful life insurance counsellors.

We are also looking to hire a large pool of women advisers through our special recruitment campaign for women under the aegis of 'swaabhimaan.'

The company has achieved productivity growth at more than 50% for proprietary channels.

With approximately 30% reduction in branches and 40% reduction in people, the company has grown over 35% last year which clearly shows that the productivity has gone up immensely.