

A Change in Culture with Dame Inga Beale

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Speaker 1: Tech Reimagined, redefining the relationship between people and technology, brought to you by Endava. This is Tech Reimagined.

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Bradley Howard: Hello, and welcome back to Tech Reimagined. I'm Bradley Howard, and I'm very pleased to welcome you to the latest season of our show. We're now at the very beginning of season three, in which we'll explore how technology is influencing the fabric of our society, the way we work, the way we live, and the way that we do business. Please stay tuned on every podcast platform that matters to listen to our fantastic guests this season. And speaking of fantastic guests, I'm very honored to start the season off with a special episode with British businesswoman, Dame Inga Beale. Hello Inga, how are you?

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Dame Inga Beale: Oh hello, Bradley. And I'm very well, thank you. And thank you for including me.

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Bradley Howard: It's lovely to have you with us today. Would you mind if I called you Inga for the rest of the podcast?

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Dame Inga Beale: Please do, no problem.

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Bradley Howard: Thank you very much. So would you like to give us a bit of a background into your history, Inga?

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Dame Inga Beale: Sure. Well, it's 2022, and it was 40 years ago when I started working. And I started working in the world of insurance, and fundamentally, I'm still in the world of insurance. So I've done four decades of financial services throughout my career, and I've had the good fortune to work in various different countries. I started off in London, in the London market. I had an opportunity then to move to the US. I worked for several different insurance companies, and at that time, I worked for GE and they moved me, or offered me a role in the US, so I moved to the US. Then they offered me a role in Paris, France, I moved there, then to Munich in Germany. And then I left GE, and moved to Zurich, Switzerland to take over the CEO role of a reinsurance company. And then eventually, after years of being outside of London, I came back to London, and my last executive, or full-time executive role was as the CEO of Lloyd's of London. And I stepped down from that in 2018. And now I do various non-executive roles.

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Bradley Howard: Well, once again, thanks very much for joining us today. On today's episode, we're going to be talking about how does change happen within an organization, specifically around the culture there. I'd really like to focus on how you did this at Lloyd's. And for our audience, can you just share some of the background about what Lloyd's is, please, for everybody?

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Dame Inga Beale: Absolutely. And for those of you who really don't know much about Lloyd's of London, it is nothing whatsoever to do with the bank, Lloyd's Bank. It predates the bank by quite a few years actually. It was formed in 1688, so in the 17th century, and it is a marketplace. It's not a unitary insurance company, it's a marketplace made up of hundreds, actually, of different companies. A lot of them are big insurers that want a syndicate, as they're called, in the Lloyd's market. And then there were lots of broking firms who were bringing all the risks from around the world, and usually the risks that no one else wants to insure because Lloyd's has a fantastic reputation for basically insuring all sorts of things from, actually in history, the very first launch of the satellite. The very first satellite that went up, Lloyd's was there insuring. It insures footballers' precious legs, it insures coffee baristas tongues. It does all those unusual types of insurance.

And it's very, very unique because it's a market and people share the risk, which I think is why, historically, it's done some of the more risky types of insurance and the new types of insurance, because they were able to share the risks amongst several of the players.

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Bradley Howard: So with many insurance companies going to digital first approach, what do you think the future of Lloyd's will look like? Because it's still very manual. It's still about face-to-face meetings, slips of paper, quite literally. What do you think the future will look like?

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Dame Inga Beale: Well, one of the big things that we did when I was there, I was there for five years, was actually introduce a lot of technology. Now, the market relies on human contact, the way it does business. Now, this is really driven because of the complexity of some of the insurance that is actually written and placed in the market. Because they're doing a lot of new things and really, really big projects, you need to have a certain amount of interaction, and this is much better done actually face to face. However, we did manage to introduce technology and eliminate a lot of the paper, and that was all about actually transferring the data into someone else's systems so nothing had to be rekeyed.

But the idea behind introducing the technology was not about eliminating those important relationships, it was more about freeing people up to have proper value-added conversations, and think about actually creative solutions for changing clients' needs. So the world is changing rapidly, and Lloyd's tends to insure a lot of businesses rather than individuals. It does some individual insurance, but mainly it's businesses. And businesses' worlds are changing rapidly, and therefore the risks they're facing are changing, and therefore the insurance products need to change. And the idea was, let's introduce the technology, but enable those conversations to still go ahead so that Lloyd's can remain creative and sustainable.

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Bradley Howard: And how does Lloyd's, as the marketplace, the provider to the other syndicates, how do you encourage, how do you help each of these syndicates change their culture, to modernize and think of new products?

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Dame Inga Beale: Yeah, well, it was very fascinating when I arrived, because I did find that the market had to hire a lot of people just like themselves. Any company's culture

is very, very strong. And to be honest, from the top of an organization, you can have a lot of influence on the culture and you can, to some extent, determine what a culture should be. Now, Lloyd's over the years, it is unique in that it's made up of several different companies, so there's not necessarily one Lloyd's culture. But because people, and in the Lloyd's building, pre-pandemic of course, you had 8,000 people, almost 8,000 every day, physically meeting together, that then has its own culture forming because they're all together almost every day in a physical surrounding. So it's a very strong Lloyd's culture that built up that spanned right across some of these companies.

And what I found was that people, almost they'd been hiring clones of themselves. And if they did hire someone who was a little bit different, they didn't really stay around very long because they didn't really fit. And so you have this very strong culture, very supportive, very close-knit, they all understood the dynamics of the market, and they had a collaborative way of working. Even though some of the syndicates were very competitive, they have a collaborative way of working, of trying to find a solution, and doing the best for the Lloyd's market in total. So it was quite a complex, but rich culture full of tradition. But it did mean that it wasn't necessarily very modern. And therefore, one of the things I noticed was that, if you wanted it to modern, you needed people of different generations to stay, you needed people who were very tech savvy, who understood about what technology could do for a business.

We also wanted Lloyd's to go into new markets. So if you're going into China, you've got to have a real understanding of the culture there. So therefore, we realized that we needed to start hiring different people, and making the culture much more dynamic and understanding of the world and its connectivity today.

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Bradley Howard: How did you try and do that as the CEO, through each of the syndicates? Do you try and encourage them? Because there's lots of gathering events and the Lloyd's Lab as well for the innovation side, how do you try and encourage them to hire different people?

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Dame Inga Beale: Well, we started just having conversations. And my board, when I arrived, my board wanted me to get going straight away. Get the tech in, "We've been waiting decades, get the technology in." And I said, "Look, all the previous attempts have failed, I don't want this attempt to fail. So I've got to speak to people in the market." And just in and around London, there are at least 30,000 people working in that ecosystem. So there's no way I was going to talk to 30,000, but I was going to talk to a lot of people personally, which I did. And I had a central team that talked to a lot of others. But I did have to go to my board to say, "Give me a bit more time. Need just a bit more time because I've got to hear from all these people." And one of the things that I gathered in these conversations was that they didn't feel they'd been really necessarily involved in designing the future.

And because everything had been going well, and there was no crisis, there was no pandemic to change anything, they were sort of going, "So why do we need to change?" They couldn't really understand quite the need for change. So therefore, I had to gather a lot of data from outside of Lloyd's. So looking around the whole world, seeing what's happening in the competitive marketplace, translate that into information that would not necessarily shock the market, but they would then begin to realize that there was a big wide world out there moving perhaps faster than Lloyd's was. And we had to start including those people in designing the future, and actually rolling out the tech

themselves. So we got ambassadors and people who really got what we wanted to do, from all the different businesses. So we made sure that we went to the businesses and we got people from those businesses to not necessarily work full time, and not to come into the central team, to stay in their businesses, but to be very much part of that large group of people who were out there making the change happen.

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Bradley Howard: Oh, so great to hear. And do you think that the future of Lloyd's, looking longer term, I mean, do you think it could change into a technology company completely?

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Dame Inga Beale: Well, there are many companies that are thinking, actually, whatever our past was, we're going to be a technology company in the future. And when you look at some of the largest companies, at least by market capitalization, if you look at the S&P 500 in the US, some of the largest companies, of course, what are they? They're sort of virtual companies, they don't really own physical assets in the same way. They have lots of data, they're sort of tech companies, but we don't necessarily think of them as technology companies because they're enabling other service provision, or they're shipping goods to us or whatever it is. So they're doing physical things, but the company themselves is not providing that physical service or that physical item.

So to my mind, a lot of organizations are going to move to be a technology company. And the pace of change now is so rapid that no one can stick their head in the sand and say, "No, no, we don't have to change. We can be exactly what we were 20 years ago, or three centuries ago." It's not going to be the reality of the future. I remember watching those science fiction movies in the seventies, and I remember Star Trek in particular. And I noticed the wrist communicator. Yeah, the thing that people had on their wrists that they talked to other people on. To me then, as a teenager, it seemed totally an utterly space age, sci-fi. My goodness, it's happened now. I have a watch on my wrist that I can pay my supermarket bills with, I can have telephone conversations with people on. It's quite incredible how rapidly things are changing. And digital is going to be all around us.

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Bradley Howard: Definitely. And if you look at the broader insurance industry, there hasn't really been a huge amount of innovation in insurance for a very long time. It's still the same business model, we still have annual policies for the risk items that we have, whether that's a car or liability or something for a business, et cetera. Why do you think there's such lack of innovation in insurance?

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Dame Inga Beale: Well, insurance is not exactly a grudge purchase, but people don't necessarily look forward to buying insurance like they might their new phone, or a new car or something. They have to buy insurance usually. And therefore, the whole approach from a customer is different. And they're not necessarily out there asking for the latest whizz-bang thing. And so that is partly driving this lack of, I think, innovation in the insurance world. So to my mind, it's got to be the insurers themselves who do all of this innovating because I don't necessarily feel that the demand is going to come from people who annually have to go and renew their car insurance or whatever it is. But fundamentally, I believe that insurance can be done in a different way because of all of this data. And instead of having this traditional annual policy where you pay a premium,

it's going to be potentially real time. Everything about you, what you are doing, where you are going, where you are sleeping, where you're traveling, whatever it is, it can be recorded.

And that means that you should be able to send all this data to a central place that can then assess the risk you're under at that moment in time, and say, "Well, is there a risk that you should be paying for? Or is there not? Okay there is, let's add it all up." And then fundamentally, you end up getting billing as you go, just like you do on modern travel systems and things these days, on the trains and things like that. It's kind of that approach. Now, that is very, very new. Although we've started as a little bit in telematics in cars, being able to track when someone's driving, how they're driving, et cetera. But to me, that has not been tapped into at all. And that certainly, on the personal side of things, can transform the way insurance is delivered and what people think of as insurance because it's more like a protection. And I know I've got that protection, whatever's going to happen to me and wherever I am.

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Bradley Howard: Yeah, there's always this balance in insurance, isn't there? Between your behavior and what the outcome might be. So let's say, someone is speeding, wherever that is, in their car, should they get an alert from their insurance company to say, "Hey, you carry on like this, then your insurance premium's going to go up." Or you're getting an alert afterwards. And diet tracking, or your Apple Watch, if it detects that actually you're not doing enough exercise, or you're eating poorly, or you're sleeping poorly, should your health insurance turn around and say, "Hey, unless you start fixing that your health insurance is going to go up"? You're completely right, that you always want the insurance company to help you out should things go wrong. But actually, now that we're able to record some of that behavior, which hasn't been possible before, do you think that the insurance companies are going to get involved in that?

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Dame Inga Beale: Well, they are. And I think on the health side, in particular, they are already giving you discounts if you're leading a healthy lifestyle. So they're starting to do that. It's not as real time necessarily as this real-time paying for risk coverage, but it has already started, certainly, in the health space. And I do think it will continue. But then the big debate about whose data is it comes into question, and that's a whole nother aspect of insurance that even the regulators are struggling to get their arms around at the moment. Because particularly, when you think that a lot of these companies collecting this data, they aren't necessarily the insurers, they could be other companies, and the insurers are using that data, so where is this data actually sitting and who owns it? And who's been given permission to use it? And for what?

So this whole data topic is going to run and run. And I think generally in the world, the regulators, any regulator or authority or government, is behind the time and behind the curve. They're not even up to speed to even know how to even cope with this and regulate it at all.

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Bradley Howard: Yeah. So back to the topic of today's podcast around culture, how do you see the impact, post-pandemic, on the future of work?

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Dame Inga Beale: Yeah, the thing is, that there are lots of things changing. There's this post-pandemic environment, where we are going to be working together in different ways. There'll be technology assisted ways, we'll be meeting in person, we need to have some sort of social bond a lot of the time. But it also could mean things such as we'd be able to have much more neurodiversity. So if you've got people who actually don't feel that comfortable meeting with people, and they can work happily on their own, they could be loving the environment now, where we're not being forced to work in one particular way. But I think there are also some other things that are going on. There are things such as careers for people. So the average tenure that someone's going to be in a role now, it's going to be much lower than it ever was. My first job I was in for 10 years, and to me, I was in it, this is where I was going to be. But that's not the world of today.

And the average tenure is going to be what, two, three years, even already people are having, not necessarily my generation, but a younger generation, they're already having a portfolio of jobs. And then, over your lifetime, you're going to have a massive portfolio of jobs, you're going to be doing all sorts of things. And that's how people are going to expect to work. That then also puts challenge on a company's culture. How do you cope if you've got people who are actually working for other companies as well at the same time? They're only working some of the time for you, they might be only with you for a short time, you might have a lot of new people coming in, and we know, at the moment, that we don't seem to have enough skilled people anywhere to do the job.

So people are seeing great opportunities to take a new role somewhere. And so you're going to have this, lots of people moving around all the time, being much more agile in their career, and that can put pressure on how to build a culture. What is that culture going to be? And I think technology is going to have a huge part to play. And any company that thinks that they can go back and expect people, particularly, okay, those that are on a frontline, on a production line, physically there, or perhaps working in a hospital, we know that there are certain people who have to go into a physical place of work. But a lot of people are not going to have to, and companies are going to really have to think smart, or how they can use technology to make sure they've got a strong bond and they can still have that connectivity they need between the people, the humans.

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Bradley Howard: Your point about people having less tenure in certain jobs is absolutely spot on. I actually think that as people's working lives get longer because people are living so much longer, people are likely to have massively different careers throughout their working life as well. Your point about people who work in medicine might have a decent time working in medicine, but then change into something completely different, I don't know, working for tech companies, et cetera. They can have such different careers within their lifetime. So do you think there's a danger that we might be leaving some people behind, as you and I are talking about, more regularly changing jobs and different careers in their working lives? Do we think we might be leaving people behind?

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Dame Inga Beale: One of the real leadership challenges I believe is going to be this multi-generational workforce. I already noticed it in the past, particularly, when I was at Lloyd's, I had reverse mentors. And I would have somebody in the first three to five years of their working life come and mentor me. And the difference between them and what their expectations were, how they wanted to be treated, how they wanted to work, were vastly different. Their ability to use technology was vastly different to somebody who'd perhaps been there for 30 odd years. And that is then going to have a real challenge for the

future. And the thing is, we need to have the multi-generation in our workplaces. We need the history, we need the strong expertise. You need to get that full spectrum.

And I do remember, this was some years ago now, but I was sitting on a board, and board papers were then going all digital, no longer did you have printouts of huge papers, 250-page packs, we were all going digital. And I can remember sitting in a board meeting next to a guy who wasn't very comfortable with the computer. And this was just a regular laptop with a mouse. And he had somehow managed to get the screen where the papers, where he was meant to be looking at, stuck in a corner of the screen. And he could only see the one tiny corner and he couldn't read the papers anymore. And he did not know how to use the mouse to drag it back in. And I saw him turn his computer off, turn it back on and hope that it had solved itself.

And I sat there thinking, well, it was sort of a wake up call for me, because I've always enjoyed using tech. I became fundamentally paperless in 2001 when I moved to the US. So I feel very comfortable using technology. But here I was, sitting alongside somebody who probably loathed technology, and was scared of it. And so somehow, we've got to grapple with these differences. And one of the things I've seen work fairly successfully on this is to buddy people up because a lot of this is about you; re embarrassed to admit something, you don't dare to ask, and you don't want to show yourself up, but if you start buddying people up in safe pairs, you can start having exchanges of knowledge and experience. A tech savvy person with somebody who's not so tech savvy, and you're just buddying them up. And they have the conversation every now and then.

And it doesn't have to be for long, but they're just in a safe place asking each other things, learning about each other. And that's the sort of thing I think that we need to think about in the future, to make sure that we can bring everyone along with us, and people are not feeling so isolated and too nervous to even ask a question.

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Bradley Howard: It reminds me that when I work with C-level people in our customer organizations, it always amazes me that the simplest questions come out of the most senior people's mouths. So if somebody says an acronym or a certain word that everyone else doesn't understand, it's always the most senior person that will immediately jump on that and say, "I just don't understand what that is," while the more junior people are sitting there thinking, "I don't want to put my head above the parapet and ask that really simple question." It's so interesting. Can you just tell me a bit more about the reverse mentoring that you talked about earlier? I think I know what that means, but can you just clarify that?

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Dame Inga Beale: Well, so often, we're the older and more experienced. As I said, I've been working for 40 years and so I think I know all the answers. And so often, you're doing the mentoring of somebody, you're giving them advice, they want your advice, they want your wisdom. Reverse mentoring is doing the opposite. It's actually engaging with someone who's got far less experience than you and asking them for advice. Now, that can be very tricky because when you are used to being the boss or the senior person, or the more experienced person, you are used to giving the advice. But this is your opportunity to listen to someone who's far less experienced, but who's got fantastic ideas, and is moving in the modern world. Yeah. So they were telling me that our job adverts, for instance, was so old fashioned that why would anybody want to come and work at Lloyd's?

And this was from a young person who was being very open and honest, and just speaking their mind, saying, "You're not doing things in a modern way. How on Earth you going to attract anyone under 25, if you are advertising for jobs like that?" And I found that very, very useful. Now, as any mentoring, you need to put a little bit of preparation into the times when you're meeting or talking, which means you've got to have a few questions that you want to know about, but usually, it's fascinating, particularly, even if people who have children and they think they're going to learn things from their kids, usually you don't, usually just get a grunt from your children. But in the workplace, you engage with the younger generation if you're an older person, and you can learn amazing things. And you'd be quite surprised as to what you come across and how you change what you do in the workplace.

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Bradley Howard: Well, that's amazing. What a lovely point of finish on. Thank you so much, Inga, for sharing your insightful views and observations on these really important matters. It was a complete pleasure to take a deep dive into the current work culture paradigm, and the events that influence us and how technology connects us all. To all of our listeners, I really hope that you enjoyed this episode, a special edition of Tech Reimagined. Thanks for joining us today. And please, don't forget to like and subscribe us on all the popular podcast platforms. Until next time.