



Disruptive Innovation & Visionary Leadership

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Visionary leaders are those who have dared to create newer paths to be well established in their respective fields and earn a name for themselves and their establishments in the industry.

The Institute of Directors, India has been actively promoting Corporate Quality, Governance and Sustainability in business for over 26 years, in India and abroad.

Driving Performance Excellence through Disruptive Innovation and Visionary Leadership is very important, when the market all across the world is very volatile. Dubai, the Business Mecca of the Middle East, is the living example of how it's emphasis on Quality, Business excellence and Innovation have created a niche for themselves in the market, resulting in 'World Class Performance', and helped carry forward the Dubai symbol worldwide.

United Arab Emirates (UAE) has taken tremendous strides in the last few decades, towards emerging as a predominant economic power in the Middle East, ensuring growth, prosperity and social justice for all. Dubai has emerged as a Global city and a business hub, in the Persian Gulf Region. Seeing the stellar role of innovation and entrepreneurship in the growth of economy, the UAE Government is embarking on an innovation initiative directed towards leveraging its potential, for ensuring a sustainable and scalable growth of business and economy. The IOD Convention also includes a 'Global Business Meet' for promoting mutual global trade. UAE's foreign trade has multiplied many folds in the last two decades, and India tops the list of trade partners of UAE.

In the Life Insurance market in GCC, LIC operates through its company, LIC (International), Bahrain which is almost 99% owned by Life Insurance Corporation of India. It is headquartered in Bahrain and has been operating for the last 27 years in the region. The Insurance market in Gulf Co-operation Council (GCC) was USD 22.2 billion in the year 2014. In GCC, UAE is the largest and most advanced market. It accounts for almost 41% of the Gross Written Premium (GWP) in 2014. Insurance penetration in UAE is 2.3% in comparison to the overall insurance penetration of 1.4% for GCC. Similarly in terms of insurance density, UAE is far ahead with USD 979. This is quite ahead of overall density of USD 433 for GCC. It may also be mentioned that global insurance density is USD 682. Therefore, in terms of insurance penetration and insurance density, UAE has a leading position in GCC region. Further, UAE market has been exceptional in terms of growth in Life Insurance. GCC Life Insurance GWP CAGR from 2010 to 2014 has been 13.9%, against which UAE shows the CAGR of 19.0%.

All these indicators reflect adequately that UAE is a promising market for life insurance. The key growth drivers for UAE have been rising middle class, increasing expatriate population and introduction of

compulsory insurance products. The key drivers for LIC International, Bahrain has been the product range, strong connect with the NRIs and Bancassurance as distribution channel. Despite these positive and advanced market indicators, life insurance penetration in UAE is only 0.55% in comparison to insurance penetration in Asia being 3.59%, Europe 4.16% and US more than 6.3%. The lower life insurance penetration in UAE leaves lot of scope for enhancing not only insurance awareness, but developing the market by introduction of new innovative products, expanding distribution channels and being closer to the market.

In order to enhance the life insurance penetration further, insurers do have to work hard in earning the trust of its customers as was reflected in the E&Y's Global Insurance Report 2014, where it came out that the consumer trust in UAE for Insurance is 52%, compared to 73% for supermarkets & 71% for banks. Life Insurers have a special role to play to introduce transparent innovative products and to encourage disclosures, to the clients, training of Consultants to ensure that every aspect of the product is explained and disclosed to the client before the sale is closed.

In terms of operations, Kingdom of Saudi Arabia is the largest and it is likely to drive the growth in the GCC insurance industry. However, in terms of driving life insurance in the region is concerned, I believe UAE would continue to lead and drive growth of the GCC Insurance market.

In the Life Insurance market in India, LIC is an exception, where incumbent insurer even after 16 years of competition still enjoys total market dominance. Market does talk about competition, but amongst private players only. Life Insurance Corporation of India has been conveniently taken off the competition landscape by the Market. It has been feasible because of the innate drive embedded in the organization about excelling in all spheres of performance and to disrupt or rather redefine the market through innovation and leadership.

Life Insurance Corporation of India. It is a Corporation totally owned by Government of India is the biggest financial institution in India with over 250 million customers, over USD 341 billion assets and single largest institutional investor in Indian Financial Market. It settled over 21 million claims amounting to USD 15 billion in the year 2016. This huge number is built on strong Corporate Governance Framework, customer centricity and continuously evolving to the changing needs of the public.

In conclusion, I may say that performance excellence, innovation and leadership are the vital ingredients for remaining not only relevant but to bring values to all the stakeholders. I firmly believe that these ingredients need to be embedded in the DNA of the organization. Life



Insurance Corporation of India is in the sweet spot in the growing and promising landscape of India. We are going to leverage it to bring value to our customers and to the country.

In terms of promises in UAE insurance market, I am sure LIC (International) Bahrain would tap the potential through innovative products, leveraging Bancassurance channel, expanding distribution, flawless customer services and leveraging technology for care of

customers. On behalf of LIC (International) Bahrain, I must thank Insurance Authority for their guidance and the visionary leadership of UAE.

*** V. K. Sharma is Chairman, Life Insurance Corporation of India**

Institute Of Directors EVENTS CALENDER

2017 - 2018

19th World Congress on **ENVIRONMENT MANAGEMENT**

Also presentation of Golden Peacock Awards for Environment Management, Occupational Health & Safety, Eco-Innovation and Energy Efficiency
7 - 8 July 2017
Hyderabad (India)

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2nd Global Convention on **CORPORATE ETHICS & RISK MANAGEMENT**

Also presentation of Golden Peacock Awards for Risk Management & Corporate Ethics
14 - 15 December 2017, Singapore

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DIRECTORS' CONCLAVE

4 August 2017
New Delhi (India)

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12th International Conference on **CORPORATE SOCIAL RESPONSIBILITY**

Also presentation of Golden Peacock Awards for Corporate Social Responsibility (both National & Global) & HR Excellence
16 - 17 February 2018, Bengaluru (India)

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17th London Global Convention on **CORPORATE GOVERNANCE AND SUSTAINABILITY & GLOBAL BUSINESS MEET**

Also presentation of Golden Peacock Awards for Corporate Governance, Sustainability (both National & Global)
25 - 27 October 2017, London (UK)

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National Convention on **CORPORATE GOVERNANCE & SUSTAINABILITY**

Also presentation of Golden Peacock Awards for Innovation Management
16 March 2018, Mumbai (India)

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*Subject to change