Meeting the Imperative for an Organizational Sense of Purpose
The pandemic has created an atmosphere of great uncertainties and caused elevated levels of anxiety and stress, increasing the need for openness, guidance, and shared experiences, as well as compassionate leadership. In our new normal, purpose has taken priority over profit, challenging the fundamental ways in which businesses operate. The community at large is validating the purpose of an organization’s existence: Do its values align with those of its customers? How is it meeting the demands of the community and driving achievement in areas beyond financial performance?

The fixation with feature wars, product iterations, and chasing quarterly results in pursuit of public accolades is now diminishing. The focus today has shifted to organizations being more purpose-driven, valuing authenticity, and building deeper connections with customers. For many legacy brands, this newfound focus on purpose can be grueling, especially considering the recent emphasis on packing more and more features into products at a reduced cost. But people now prize personalized experiences over features.

With a growing demand for highly customized user experiences, associates across departments – from marketing and sales to support – must believe in the organization’s values and demonstrate it in every action. Everyone must constantly communicate to customers not just what we do but also what we stand for – whether it’s enabling innovation, promoting happiness, or being technologically relevant.

In earlier times, organizations often prioritized profitability and growth, focusing on top and bottom lines. However, as both our organizations have experienced, social solidarity has led to a significant shift in customers’ attitudes and perceptions. Today, they are looking for businesses whose practices align with their core beliefs. They are rightfully demanding a say in how organizations are run, and they are prepared to defect if the trust threshold isn’t met.

These developments require organizations to create, articulate, and exemplify purpose-driven strategies. Especially in the banking, financial services, and insurance sector, where customers have a multitude of options available, it’s crucial for organizations to evaluate what factors might compel customers to engage with them. Today, customers are not only choosing companies whose products meet their requirements but also whose values align with their own.

For that reason, organizations must now be all the more thoughtful and creative, finding ways to connect with customers and prioritize their needs. As we’ll discuss throughout this conversation: The customer must always be at the center of an organization’s purpose.
‘YOU CAN’T HIDE ANYMORE’

► Ariel Gorelik: Most people would likely agree that the pandemic accelerated digital transformation. At the same time, it amplified the importance of purpose because digital brings transparency and exposure to the external world – social media is just one example. Digital means you can’t hide anymore.

Companies with clear purposes have the most resilience in the current volatile environment. They are more adept at dealing with uncertainties and tough competition. They come out ahead at a time when consumers express their disapproval based on considerations like purpose and values. A 2018 Cone/Porter Novelli study found that 78% of Americans believe companies should impact society positively, not just make money.\(^1\)

Two-thirds of respondents across age groups said they would switch from one product to a different one offered by a purpose–driven organization – a number that exceeds 90% for millennial respondents. Having a higher purpose doesn’t mean profits aren’t important; indeed, profits are a core tenet of our society. But now there is a clear understanding that aligning with customers, employees, partners, and community – the whole ecosystem – is a strong driver of profit today.

► Anupam Singhal: For us at TCS, having a purpose–driven strategy has been part of how we have done business since our inception. Our parent organization, the Tata group, was founded more than 150 years ago. Even back then, when digital technology was not even a distant dream, our purpose and priority was giving back to the society and finding meaningful ways to enrich the lives of those around us. We are synonymous with trust, goodwill, and purpose today as well. Sixty-six percent of the equity share capital of Tata Sons, the principal investment holding company for the Tata companies, is dedicated to supporting our global philanthropic work. Since the onset of the pandemic, we have been helping local communities and responding to the crisis globally, contributing nearly $324 million towards relief and response efforts. And we’re committed to carrying on that legacy.

The well–being of our associates is another nonnegotiable commitment for us. As the pandemic crisis unfolded, with uncertainties causing widespread fear and anxiety, we wanted to help keep our associates safe. So we introduced multiple massive vaccination centers in India, not just for our employees but for their families as well.

On the sustainability front, we expect to be a carbon–neutral firm by 2030. We’re working toward this goal through activities ranging from adding more green buildings to leveraging our TCS Clever Energy solution to optimize energy consumption across our campuses. We want this world to be a better, safer place for our next generations.

► Gorelik: Becoming purpose–driven has played out a bit differently in the insurance business. At AmTrust, we are in a small commercial segment serving Main Street America. We made a conscious decision to focus on this space. We are in business to write more premiums, but that is not our only purpose. We aim to help our customers avoid problems by providing education. They want us to tell them, “How can you help me prevent financial loss?” and “How can you help me become healthier?”

Today, nobody wants to just buy insurance. For example, every state has its own regulations for worker’s compensation insurance, but the coverage is typically much the same. The question becomes, “How do you differentiate yourself?” We found that you can’t really differentiate your firm based on rates or coverage. Instead, you need to demonstrate a strategy and a sense of purpose. We decided we were going to simplify the process of dealing with worker’s compensation, making it fast and easy instead of going into the typical long–winded underwriting process. We also help companies improve their safety practices to keep their workers healthy, helping them avoid pain and inconvenience.

The exact terms used to describe “purpose” aren’t that important. The word could be “mission,” “vision,” or “strategy.” Ideally, all of these concepts build off each other. You have a vision right off the bat, then you build your mission statement, and that translates to your strategy, which is underlaid by purpose.
At AmTrust, our vision and mission are to be a best-in-class global insurance and solution provider. That translates into our six core values: excellence, innovation, integrity, responsibility, inclusion, and teamwork. These core values create a framework that addresses our customers, our employees, our partners, our vendors, and our shareholders.

There are two layers to the AmTrust community. One layer is our clients. We call them our family. And the other is our employees, whom we call team members, and our independent agents. We regard both as family as well. In addition, we are always looking to contribute to the well-being of the communities where we operate.

For example, early in the COVID-19 pandemic lockdown, we knew our customers, who are small businesses — dry cleaners, restaurants, and pizza shops, for instance — were likely to be having major cash-flow problems as shutdowns vaporized their sales. So, in March 2020, we offered a moratorium on premium payments for a couple of months, until the end of May. We said, “Look, we don’t know what’s going to happen. We’ll give you time, and we’ll figure it out later.” Then we extended the moratorium to the end of July, when some money was beginning to flow with the government loans. That’s one way we said, “We see you as part of our family, and the right hand shouldn’t be cutting off the left hand.”

Singhal: At the core, our purpose is about improving the world. When the pandemic hit, some of our workforce was “on the bench” — that is, they were not active contributors in billable projects and therefore not generating revenue for the organization. Letting them go wasn’t even up for debate for us. We didn’t lay off anyone, not even our contractors. Our only priority for addressing this matter was: “What can we do to support them during this challenging time?” So we ensured that they received their paychecks on time; as a result, they were able to sustain themselves.

TCS also worked with customers who were critical to the pandemic response. For example, one of our clients is a medical equipment manufacturer. This company faced a tenfold increase in demand for ventilators and other life-support devices due to COVID-19. We proposed a solution to reduce the cycle time and meet the market demand by manufacturing additional devices each month. We transformed the manufacturing cycle into a lean process, leveraging TCS’ Machine First Delivery Model and integrating several manufacturing systems.

TCS helped other manufacturing clients improve workers’ well-being and prevent occupational hazards through the application of sensors, big data analytics, and AI. For example, nonintrusive IoT sensors were installed in workers’ headgear and gloves to monitor their movements, which were then benchmarked against an algorithm. This provided the organization’s leaders more visibility into operations design, helping them to understand the physical demands on workers and learn which movements and equipment could cause injuries on the job. After reviewing this data, we worked with doctors and occupational therapists to create enhanced best practices for safety on the production floor.

The moment CEOs put their whole focus on their customers’ success and well-being, instead of simply establishing a financial growth target, they become the customers’ true partners. That’s where a purpose-led strategy comes into play — when customers see that an insurance provider, or a bank, or any other type of provider is interested in their welfare and achievements and is making efforts to keep them safe.

“A recent insurance industry study noted, and we can confirm anecdotally, that millennials are not only drawn to companies with higher purposes and more sustainable practices, but they also want the organizations they work for to give back to their communities.”

— Ariel Gorelik, AmTrust Financial Services Inc.
THE HUMAN SIDE OF PURPOSE

- **Gorelik:** A recent insurance industry study noted, and we can confirm anecdotally, that millennials [for workforce purposes, generally those born between 1981 and 1996] are not only drawn to companies with higher purposes and more sustainable practices, but they also want the organizations they work for to give back to their communities.

- **Singhal:** At TCS, giving back to the community isn’t just another activity. It’s a commitment, a promise to do our best to make a difference every day.

Every year, our associates assist communities through numerous initiatives. We conduct training sessions to help children use state-of-the-art educational tools and hold youth entrepreneurship programs to foster inclusive economic growth. We also organize medical camps with health professionals, hold upskilling workshops for adults, provide groceries to families in need, and volunteer at assisted living centers.

However, when COVID-19 hit, we had to take a step back and rethink how we could best support our communities. Our team was determined to lend a hand; the question on everyone’s mind was always, “How can we help out?” It was inspiring how our associates quickly adapted to the challenges of the pandemic and came up with alternative ways to assist their communities. We partnered with different nonprofit organizations to set up food drives, deliver medical supplies, set up modular treatment facilities, and even make masks for front-line workers. We also devised a solution that not only enabled people to contribute funds digitally but also helped recipients shop in their own neighborhoods.

Sometimes, small changes to the way we think or act can take us a long way towards creating a better world. In the end, despite the lockdowns, our volunteering hours in 2020 were up from the previous year.

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**Transforming the Agent Experience Boosts Transparency and Clarity**

*By Ariel Gorelik, AmTrust Financial Services Inc.*

AmTrust competes in a small commercial segment, where the average policy premium might run $4,000 to $5,000. To date, we have primarily worked with independent agents, who make a commission of about 10% to 15% per sale. A typical commission for an agent would be about $400 to $500. Nobody wants (or deserves) to go through a lot of hassle and inconvenience for that.

In the past, agents used manual, cumbersome AmTrust sales processes. For insurance agents, efficiency and ease of use are paramount. Because their margins are fairly slim, we knew we needed to implement a digital channel with smoother, more automated processes. So we did it, even with the understanding that by extending a digital channel to our agency force, it would change the current distribution patterns. We needed to make the change not only from a market standpoint but because it was the right thing to do for our agents. Doing right by them is a key part of our purpose.

Working with TCS, we have created a digital channel for our agents that is far superior to the legacy system. They asked us for speed, technology that would allow them to provide superb customer service, and for full transparency and clarity about the coverage we provide. With the new digital platform, agents quickly understand the precise coverage details and costs for our products in a matter of minutes, not days. The digital channel now accounts for 50% of our submissions and revenue. With its increased efficiency, we expect our renewal ratios to rise by 30%.

The customers our agents deal with demand the same kind of speed and clarity. They want quick turnaround. They want a distinct picture, not the small print they usually get from insurance companies, and our new platform delivers it. Providing a clear, transparent platform for agents and customers alike has been an important part of our purpose-driven strategy.
Gorelik: Though the insurance industry is not typically a haven for millennial workers, those working in technology are an exception. Our own technology employees are demanding more and more community engagement and purpose. Employees of that generation usually don’t want to talk about combined ratios and loss ratios. They want to know how we contribute to social justice, equality, and diversity. They want to know how we are helping people suffering from extreme weather in New Orleans or Texas, for example, and how we interact with entities ranging from nonprofit organizations to local schools.

At AmTrust, our realization of how greatly our employees value purpose came two or three years ago at a town hall meeting with about 600 of our team members. This was a big departure from previous town halls, in which an executive would present some financial performance data and describe progress toward corporate goals, leaving time for a few audience questions, which were usually related to the data. But in this case, no one was talking about those things. What attendees wanted to know was: “How do we deal with diversity?” “How do we create career paths for people who joined with nontraditional work experience?” and “How do we serve our communities?”

That town hall was different in another way, too. In the past, presenters reviewed audience questions in advance. This time, there was no buffer between the audience’s questions and the presenters. This was the beginning of a more transparent — and more honest — way for leaders to relate to team members.

In the new town hall format, sometimes audience input is less about questions than statements, such as “This is what we think is right for this company. This is what we want the executive team to do. And we want you to listen to us.”

It quickly became clear that we needed to make diversity and inclusion (D&I) a higher priority at AmTrust. Until a few years ago, we had never had a formal team dedicated to D&I strategy. But then we started to hear about the issue in town halls — and, interestingly, some of the most vocal D&I proponents don’t actually represent minority groups. The leadership team listened. We created new roles for D&I officers, who are on the ground soliciting employees’ perspectives and strategizing about how best to execute initiatives. These activities illustrate how purpose can grow from the ground up, as well as from the top down.

AmTrust is also trying to become a mentor to its millennial and Gen Z customers, many of whom are new to the world of financial planning. We follow the behavior of customers and prospects in these generations, as they’re active on social media. We are assembling volumes of data — structured and unstructured — to which we will apply artificial intelligence and machine learning techniques to get a better understanding of which new products would be the best fit for them. These consumers might be students now, but eventually, they’ll leave college, join the workforce, get married, and have and educate children of their own. Having a purpose-led strategy enables us to build a connection with them right at the beginning, where we can become their financial coaches and stay with them for life.

Digital technology intersects with purpose by enabling an organization to derive greater insights about all the constituencies it serves — employees, partners, customers, and the larger community. Digital transformation enables visibility and collaboration, connecting systems and ever-expanding data stores that can be analyzed with advanced tools such as AI and ML to produce valuable insights about operations and customers. Digital transformation is both a foundation for and an amplifier of purpose.

Gorelik: Data lets you take a much deeper look at the end customer you are trying to serve — your reason for being in business in the first place. At AmTrust, we asked ourselves: “Is our primary purpose to make more money as an insurance firm?”
Or is it to protect our customers' financial wellness?” The latter is a greater purpose that aligns with the expectations of our employees and the market. Once we’re clear about our purpose, and define it well, digital transformation becomes an essential tool for expressing it in everything we do.

**Singhal:** Every business is born out of a belief — a belief that you can make an impact, that you have an idea that matters. This belief conveys an optimistic outlook and reflects the limitless potential we have for creating greater futures. At TCS, we collaborate with our clients and combine our knowledge to innovate in ways that create new possibilities for all. Both TCS and AmTrust know that building on this joint ambition and optimism can transform businesses for the better.

A purpose-driven strategy and shared beliefs drive businesses to achieve their future aspirations. Our conversations with clients begin with their purpose. This outlook expands their point of view to extend beyond cost and efficiency and technology transformation to addressing the needs of all stakeholders in an equitable fashion. By starting with purpose, we can help companies build a better future for themselves — and for the communities around them.

**References**


**About TATA Consultancy Services**

Tata Consultancy Services is an IT services, consulting, and business solutions organization that has been partnering with many of the world’s largest businesses in their transformation journeys for more than 50 years. TCS offers a consulting-led, cognitive-powered, integrated portfolio of business, technology, and engineering services and solutions. This is provided through its unique Location Independent Agile delivery model, recognized as a benchmark of excellence in software development. A part of the Tata group, India’s largest multinational business organization, TCS has more than 592,000 of the world’s best-trained consultants in 46 countries. To learn more, visit [www.tcs.com](http://www.tcs.com).

**About AmTrust Financial Services Inc.**

AmTrust Financial Services Inc., a multinational insurance holding company headquartered in New York, offers specialty property and casualty insurance products, including workers’ compensation, business owner’s policies, general liability, and extended service and warranty coverage. To learn more, visit: [www.amtrustfinancial.com](http://www.amtrustfinancial.com).