

How Zurich North America veteran and new CEO is inspiring confidence in employees and customers



An Interview with Kathleen Savio, Chief Executive Officer for Zurich North America



EDITORS' NOTE: Kathleen Savio is Chief Executive Officer of Zurich North America. Overseeing \$15 billion dollars in revenue, Kathleen leads the largest division within Zurich Insurance Group, a global insurance company operating in more than 210 countries and territories. Prior to being named CEO, she was President of Zurich's Alternative Markets, a unit that on its own would be larger than most insurance companies in the U.S. Overseeing Alternative Markets, she led the acquisition and integration of Rural Community Insurance Services, the nation's second largest crop insurer, in 2016. Her previous titles include Chief Administrative Officer, Vice President of North American Corporate and Marketing Communications, Vice President of Marketing Strategic Initiatives, and Director of Communications for Product Underwriting.

COMPANY PROFILE: Zurich Insurance Group is a global leader in managing risk. With about 53,000 employees, it provides a wide range of property and casualty and life insurance products and services in more than 210 countries and territories. Zurich's customers include individuals, small businesses, and mid-sized and large companies, as well as multinational corporations. The Group is headquartered in Zurich, Switzerland, where it was founded in 1872.

In North America, Zurich is a leading provider of insurance products and services, including workers' compensation, liability, property, specialty and F&I (finance and insurance) for a number of major industries, such as Construction, Auto Dealers, and Technology. It offers life insurance and disability coverage in the United States. Zurich employs approximately 9,000 people in North America. It's a top-four commercial insurer in the U.S. and has been insuring U.S. businesses for more than 100 years.

You started your career at Zurich in an entry-level position 27 years ago. How did a technical writer work her way to the top spot in North America?

In 27 years at Zurich, I've been fortunate enough to have had a dozen jobs in different parts of the organization, including communications, marketing, strategic initiatives, product underwriting, and change management.

Some of those jobs I invented. There was a "gap," something that needed to get done. And I think that when you see that, you should raise your hand and get to it. See and create opportunities in ways that benefit your company and your development.

What is an event in your past that helped define your professional values?

As a child, my father taught me a lesson about work and success. He said, "If your boss asks you to empty the trash, do it as best you can and learn something from it. The next time you are asked to empty the trash, do it even better."

Use what you learn, in any task, and apply it to the next. Getting the basics right every single time sounds straightforward, but it's not easy.

What has been one of your proudest accomplishments in your career and why?

I had the privilege to oversee Zurich North America's successful acquisition and integration of Rural Community Insurance Services (RCIS), one of the largest crop insurance providers in the United States. This effort involved around 200 people working together for months to bring together the two companies that are helping protect American farmers.

Given the teamwork and collaboration involved across all the diverse groups, the transition and integration couldn't have been a more positive experience for our team members, our agents and our customers.

Severe weather events devastated communities throughout the U.S. right before you took office as CEO of North America. What was your reaction when you stepped into office?

I started as CEO of North America right after one of the most challenging years we've seen in almost a decade for catastrophes. 2017 was a year of severe weather events, including large hail storms in Texas and Colorado, wildfires in California, and three major hurricanes like Harvey – which dumped 33 trillion gallons of water on Houston. These all took their toll on our customers and affected our business results here in North America.

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It's during challenging times like these that the Zurich team is at our absolute best. We are there for our customers when they need us most. Our people from all across the organization including Operations, Risk Engineering, Underwriting, Human Resources – and of course our valued Claims colleagues – shifted work around, set up customer hotlines and contingency plans, kept in touch with employees before the events hit and began handling claims immediately afterwards.

From start to finish, the Zurich team was well prepared to serve our customers and distributors. We can deliver in this distinctive and valuable way because we have strong capabilities and a solid foundation, and because we aim to keep our focus on our customers.

How is risk changing in this rapidly evolving world?

The world around us is changing at an ever-accelerating pace. The risks we face today are so interconnected that, without a clear understanding and careful planning, we face the possibility that aspects of our environment, the global economy, international relations or any other system could be impaired or even collapse. It can be pretty scary to think about – but we evaluate these and other risks every day at Zurich.

Zurich contributes risk insights each year to a global risks report developed by the World Economic Forum (WEF). Environmental and technological risks lead the WEF Global Risks Perception Survey, taking the top five spots in a list of most-likely risks: extreme weather events, natural disasters, cyberattacks, data fraud or theft, failure of climate-change mitigation and adaptation.

As I read this report each year, I do think about how these risks could affect our customers throughout North America. In an increasingly interconnected world, it means that leaders in North America — and abroad — cannot ignore the risks that threaten our communities, even if they seem unrelated to the business at hand. In short, global risk is everyone's risk.

What is Zurich doing to prepare its customers for this new world of risk?

This is where our Zurich strategy is key. To position us for success in this rapidly evolving landscape, our strategy at its heart is built on three things: customer focus, simplification and innovation.

In large part, customer focus is about listening, understanding and anticipating the needs of our customers and distributors, and then delivering solutions in ways that provide value in the most efficient way possible – uniquely Zurich.

We will continue to work to simplify our operations so we become a more agile and responsive organization focused on meeting the needs of our customers.

We are identifying new and innovative ways to offer better products, services and customer care. We are capturing and prioritizing the many great ideas we have across our company.

How are you strengthening relationships with customers and distributors?

Strengthening our customer-focused culture throughout our organization is a top priority for me. Our commitment to improving our customer and distributor interactions with Zurich spans all levels of our organization. As we do this we have to look at ways to measure our progress. One of those ways is through our net promoter score (NPS) surveys.

NPS is an objective measure that will help to gauge the success of our interactions with our customers and distributors, and support us in our effort to improve across all of our touch points. We are increasing the coverage of our existing NPS touch points, as well as expanding the number of NPS touch points to get a better sense for how we can improve when we interact with our customers and distributors.

Our senior leadership team gets on the phone with customers to follow up on NPS responses, learn about their experience with Zurich, and find out how we can continue to improve and meet their evolving needs.

What is something that guided you throughout your first six months as CEO?

When I began the new job, the first thing I did was focus on my strengths – the contributions I can make to the job. Authentic leadership is where it all begins.

For me, I'm inspired by the power of words. My favorite quote is an African proverb: If you want to go fast, go alone. If you want to go far, go together.

That's the real purpose of a CEO – to bring everyone together, united in action, with a common purpose. So, I gathered our leaders together to actively engage and develop valuable solutions to help us overcome any barriers that might prevent us from delivering on our commitments and achieving our goals. We value the diversity and potential of every individual.

For us at Zurich, our purpose is to protect our customers by providing innovative risk management and insurance solutions. The world is changing at a rate faster than ever, and leaders have to stay current with the latest information.

Sometimes CEOs can get so focused on running the business that they don't spend time directly with their customers. I'm aiming to make time with our customers a priority for me. In my first 100 days, I went on the road to meet with customers and listen to their needs. In the end, it's all about being there for our customers.

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