

# EQ, IQ & empathy define the success of a CEO

**Kalpana Sampat** spent the first 16 years of her career with the public-sector company, LIC. She essayed several roles during this stint. However, when the insurance sector was thrown open to private players in the year 2000, she switched sides and joined ICICI Prudential Life Insurance. Having grown exponentially since then, she is now the **MD & CEO of Pramerica Life Insurance**. She shares her exciting journey and her views on people and leadership management with **Prajjal Saha, editor, HRKatha**.

**You spent 16 years at LIC before moving to a corporate role at ICICI Prudential. Now, 22 years on, I am still curious to know, what cultural differences did you experience while shifting from a PSU to the private sector?**

A big difference for me was the shift from a large established company to a startup which was still in its building phase. Back then, the licensing process at ICICI Prudential had just started, whereas a year after I had joined LIC, it had celebrated its 30th year post nationalisation.

It is essential to understand that people who work in PSUs or larger organisations of that size bring with them a large repository of knowledge, which is valued by the private sector. The only cultural difference I can point out was that of competitiveness. Though not two extremes, they were in two different directions.

At LIC every process was well streamlined and documented. We followed a disciplined regime. Probably that was the change. Frankly, at ICICI Prudential, we were all so busy building the organisation from scratch, that we did not feel the difference back then. Had I moved from a large private sector company to a startup, my experience would have been the same.

**Did you face any difference in inter-personal relationship between the colleagues in the new place?**

At ICICI Prudential, it was a team of specialists, because of their in-depth knowledge and core skills in



**KALPANA SAMPAT**

MD & CEO, Pramerica Life Insurance

the insurance sector. We had team members from varied streams - banks, NBFCs, FMCG and other consumer-related sectors.

While this made our team very diverse, everyone's role was clear. Insurance, at that time, was being ruled by the public sector, and we were all busy creating something new. Thankfully, despite our diversity, we all worked as one team.

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**Companies began talking about the gig economy only recently, but the insurance sector has been using the gig workforce – agents – for decades now. Any tips for companies experimenting with the gig workforce?**

What you are referring to is the relationship between the institution and the agents. LIC has mastered it, and other insurance companies are trying to achieve it. It empowers its agents, and even though they are not direct employees, they are treated like they are. They are the star performers for the organisation and are much valued.

Selling life insurance products requires a lot of advising and convincing, unlike other insurance products such as general or health.

Life insurance is all about credibility and trust, and LIC provides this credibility to its employees. They are given the authority to collect documents on behalf of LIC and ensure that death claims get paid without any hassles. This helps the LIC agents to establish trust amongst their clients, and also potentials. Within their small communities in small towns, the LIC agents are much valued for their service.

Therefore, these agents feel that their work is appreciated both within and outside the organisation.

At LIC, I have witnessed how the entire system works behind the agents. Besides, this level of trust between LIC and its agents hasn't developed overnight. It has taken years. The relationship is mutual and reciprocal.

**Who makes a better CEO, a specialist or a generalist?**

I think both have their strengths. However, when a CEO is chosen, he/she is not judged by these strict compartments - I mean whether he/she is a specialist or a generalist. He/she has already left behind those compartments long time back and these are not even looked at even when someone is being considered for a CEO. For me it's more about fitment of skillset.

However, there are also companies that give more importance to specific needs while searching for or promoting someone as a CEO based on their experience. To me, it is just a demand - supply fitment. Moreover, the vision, the direction and the interest of the company also play deciding factors in the selection of a CEO.

**Who do you think is more important in the insurance company - the product or the people?**

One cannot differentiate between product or people. It is need based.

That is, the right products are sold ethically and error-free by the right people. Therefore, one needs a quality product with a right strategy to sell the product, either manually or digitally. If either the product or the selling parameter is not right, then the company loses on both. It has to be a winning combination of the two.

**What are the biggest challenges for the insurance sector currently, in terms of talent acquisition?**

I think, it is the same as any other financial sector. We have the same challenges such as acquiring the right people with the right skill sets.

It is not about the quantity but quality. We prefer people who have experience along with the passion to sell insurance-based products.

The biggest challenge is to find out whether they really understand insurance or have an in-depth knowledge of the brand or whether they are simply after the position. Most importantly, they have to believe in the service. People who fulfil all these requirements are scarce. Most prefer to see insurance as a commodity or prefer to go to banks and other financial services.

**What are the parameters while hiring at Pramerica Life?**

The first thing I observe is the way the candidates have shaped their own career. The second factor I consider is what the candidates want to achieve in their career in the long run. I also look at what their personal values and principles are, what their vision is, and most importantly, what their holistic approach towards life is.

**At the campus, how do you make insurance sound lucrative for the candidates?**

As far as the insurance sector is concerned, I carry the societal aspect

with me that no other sector has. The insurance sector is made up of people whose purpose is to serve people and be useful to others. And this sector pays people who are committed to doing things for others.

## Do you think, the insurance sector loses out on top talent because of the glamour of IT and other allied sectors?

Who are these top talents? People who score high or people who speak loudly in group discussions. These rankings and classifications according to me are a very orthodox way of looking at things. The ones who enter the field, and make it big are the real talent. In fact, merit-based ranking is needed up to a point. After that, only skills matter.

## What makes a talent-orientated CEO?

A talent-orientated CEO will sincerely do the orientation mapping of the individual. The first thing is to find out whether the person is suitable for the job or not. The next step is to determine the person's passion and devotion. As a CEO myself, I believe in empowering my team to do things according to their strategies, provided they keep the core values of the company in mind. Parameters such as governance and regulatory norms, where we

cannot breach, are very important, and everyone has to abide by them. Thereon, one can take their own course and chart their own path.

## How do you win the confidence of the team as a new CEO?

It happened with me at my last organisation Swiss Re. The first thing that I consider is understanding the team at a human level. The second thing is to be cautious about not discussing the demerits of the predecessors and how the company has made changes under the new CEO. The priority should be to understand the achievements and appreciate everyone's effort in building a team.

When a setup is running smoothly, it means it has strengths. All one needs to do is take them along in the journey of evolution. The only motive of the company is to move ahead. And any good CEO, be it erstwhile, present or the future one, will want to take the company forward along with the people. Once the dialogue starts, it doesn't matter who is sitting on the chair. We have to be agnostic and that will be a win-win

situation for the CEO, employees and the shareholders.

Even if the management wants to bring in certain changes, it can't be done without the help of the team. Taking the team into confidence is the only way, because a one-man army doesn't work. If the team is not on the same page as the CEO, then nothing will work. He/she will not be able to prove his/her credibility unless he/she takes his/her own people into confidence.


## Is it tricky to identify whom to trust and whom not to trust?

Everyone looks at people from their own perspective – one which they have acquired, based on their own experiences. For me, it's my own experience coupled with how comfortable one is in one's skin. My own judgment plays a pivotal role in identifying people. For me EQ, IQ and empathy are the credentials that define the success factor of a CEO.

## Did you face any challenges being a woman leader?

I am very gender agnostic. It doesn't matter to me whether there's a man or a woman in front of me. I look at a person as a human being, and thankfully, I have not experienced anything that goes against women. Fortunately, I have worked for organisations that have always focused on merits rather than biases.

However, I have observed the decreasing number of women as one goes up the ladder. At the entry level, the ratio may be 50:50, but as one progresses, this ratio keeps decreasing. As a society, we should be more worried about why these women drop off. One of the reasons could be family and societal issues.

The only solution to this issue is to recruit more women at every stage and bring in diversity at the workplace. This will work both for the organisation as well as the women in the workforce. 

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