The Cognitive Enterprise for Oracle Cloud HCM in Insurance

Powered by IBM and Oracle

IBM®

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Insurance in the Cognitive Era
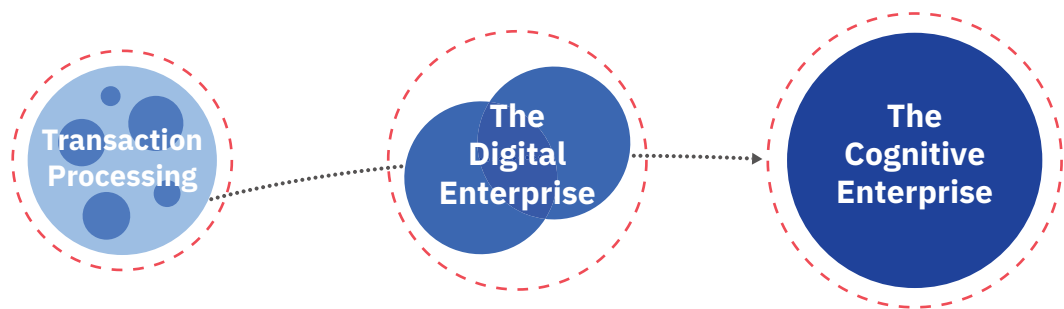
A new era of business reinvention

A new era of business reinvention is dawning in the Insurance Industry. Organizations are facing an unprecedented convergence of technological, social and regulatory forces. As cloud, artificial intelligence (AI), automation, Internet of Things (IoT), blockchain and 5G become pervasive, their combined impact will reshape standard business architectures and business as usual.

We call this next-generation business model...

The Cognitive Enterprise

Figure 1

Capability Layers for the Cognitive Enterprise

	Transaction Processing	The Digital Enterprise	The Cognitive Enterprise
WHAT	Early information technology improved efficiency by applying technology to individual resources or processes	Digital transformation digitizes whole aspects of a business producing customer experiences that support what individuals need or want	The cognitive enterprise incorporates exponential technologies to create revenues and results via **innovative strategies, products, platforms, process transformation, and user experiences**.
HOW	• Paper tracking • Lift and shift • Limited use productivity tools • Labor arbitrage • Localized practices • Labor arbitrage Limited • Globalization of practices	• Process automation point solutions • Design thinking principles • Enterprise adoption and change management	• Intelligent workflows • Pervasive automation • Design Thinking+ agile • Rapid experimentation • Embedded change mindset • Work elimination with blockchain

What is a Cognitive Enterprise?

To understand what a Cognitive Enterprise is, it is important to understand a fundamental concept called-Business Platforms.

As insurance companies around the world describe their strategies in terms of platforms, they are anchoring to the idea of a "stage" or "field of operation" — an area where a range of unique capabilities can be deployed and where the companies can seek to establish a control point over a range of value-creating activities.

Thus, **Business Platforms differentiate an organization by combining data, unique workflows and expertise to drive competitive advantage.** Examples include claims processing for an insurer, talent acquisitions for a hospital that has ongoing demand to hire and retain top talent from

the industry. Such Business Platforms will often be underpinned by technology platforms and may connect into other ecosystem business platforms as well.
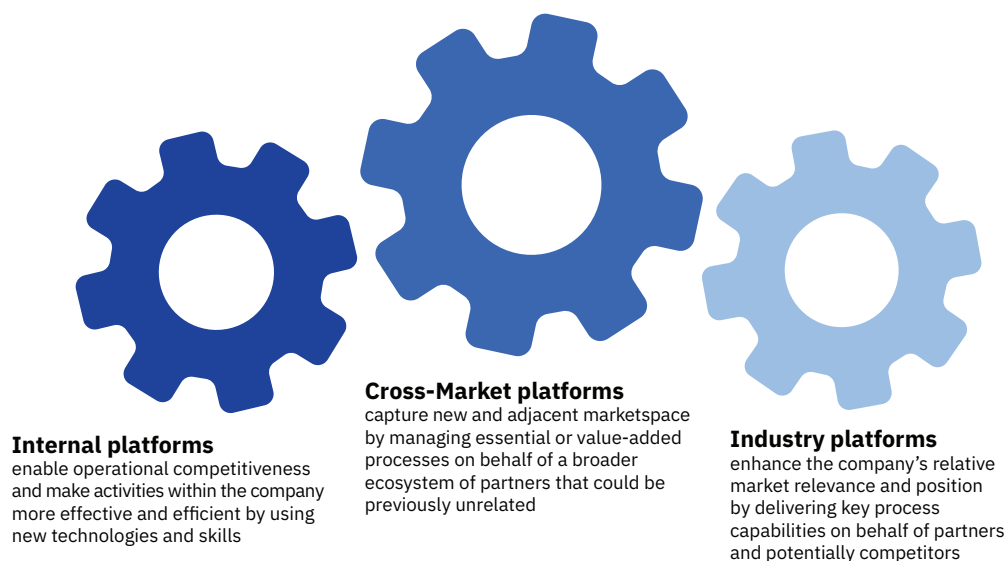
Imagine the **Cognitive Enterprise as composed of multiple business platforms.** One or more of these acts as the core or primary platform(s), providing key differentiation.

At IBM, we see companies placing bets on the creation of business platforms to solidify competitive advantage and differentiation. These platforms must be digitally connected from the outside-in and cognitively enabled from the inside-out.

Others see the chance to play a platform role across their industries. A few companies are using platforms to expand their expertise and compete in markets adjacent to — but until now separate from — their traditional businesses.

Figure 2

Types of Business Platforms

Internal platforms
enable operational competitiveness and make activities within the company more effective and efficient by using new technologies and skills

Cross-Market platforms
capture new and adjacent marketspace by managing essential or value-added processes on behalf of a broader ecosystem of partners that could be previously unrelated

Industry platforms
enhance the company's relative market relevance and position by delivering key process capabilities on behalf of partners and potentially competitors
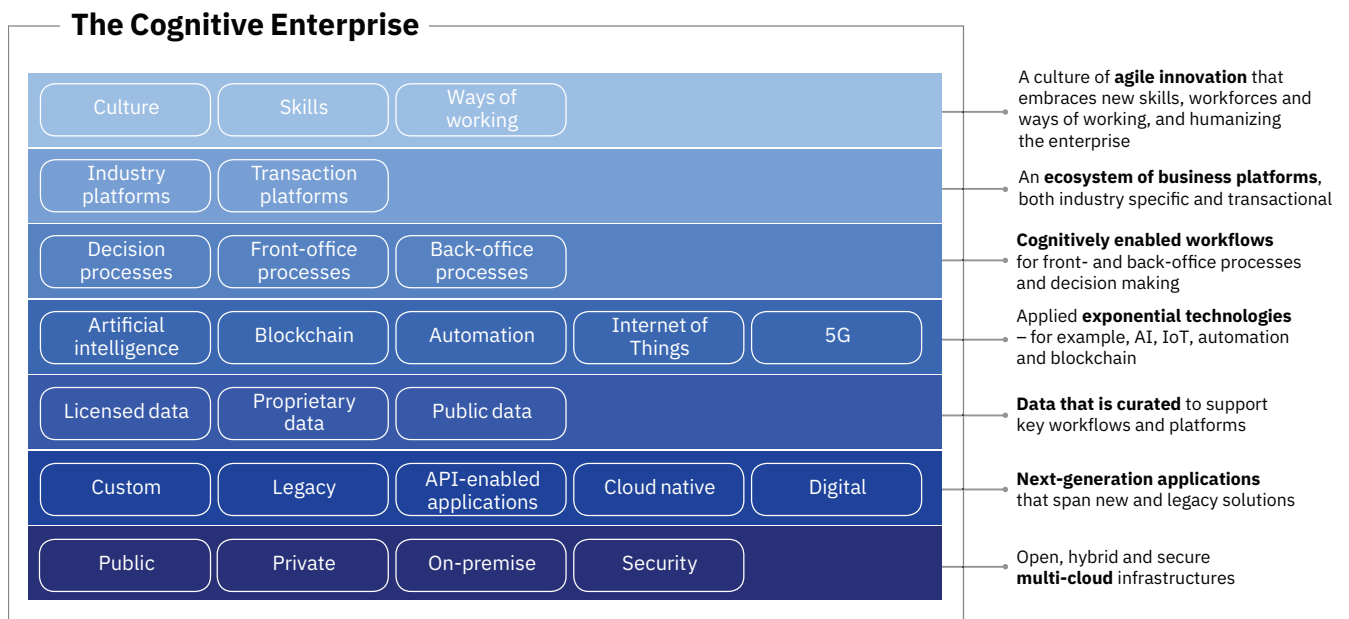
Source: IBM Institute for Business Value (IBV) analysis

Inside the Cognitive Enterprise

The business platform is made up of capability layers. Each is subject to major transformation with a huge potential for insurance organizations. We think that incumbents will—as we are increasingly seeing—strike back if they can orchestrate change at scale. Companies have the opportunity not only to invade and secure new markets but also to restructure their cost bases for the long term—with a possible huge payoff to their bottom lines.

Figure 3

Capability Layers for the Cognitive Enterprise

The Cognitive Enterprise

Culture	Skills	Ways of working		
Industry platforms	Transaction platforms			
Decision processes	Front-office processes	Back-office processes		
Artificial intelligence	Blockchain	Automation	Internet of Things	5G
Licensed data	Proprietary data	Public data		
Custom	Legacy	API-enabled applications	Cloud native	Digital
Public	Private	On-premise	Security	

A culture of **agile innovation** that embraces new skills, workforces and ways of working, and humanizing the enterprise

An **ecosystem of business platforms**, both industry specific and transactional

Cognitively enabled workflows for front- and back-office processes and decision making

Applied **exponential technologies** – for example, AI, IoT, automation and blockchain

Data that is curated to support key workflows and platforms

Next-generation applications that span new and legacy solutions

Open, hybrid and secure **multi-cloud** infrastructures

Source: IBM Institute for Business Value (IBV) analysis

Insurance Talent Evolution in a Cognitive Enterprise

Although insurance organizations are rapidly adapting to newer technologies such as Artificial Intelligence (AI) and Robotic Process Automation (RPS), their **people – or talent – remain at the core of this Cognitive Enterprise.**

Insurers are experiencing a consumer-driven shift in their operational model which highlights where the insurance market is going and the talent gaps of their employee base. **Many insurers find themselves unable to attract the kind of talent needed to carry out these operational changes transforming their industry** let alone compete with other employers like Google and Amazon. Insurers need a plan to attract this younger millennial workforce and retain them.

Insurers need to revamp their approach to hiring and development. The employee base is and will continue to be much different than the previous generation and they will want different things from their work lives than did previous employees. Therefore, insurance companies must engage this new generation of talent in ways that appeal to their digital and social preferences.

Today's insurance organizations must **keep talent at the core of their Cognitive Enterprise which entails reinventing human capital and managing evolving talent in the industry.**

Figure 4

Insurance Cognitive Enterprise has its people at the core
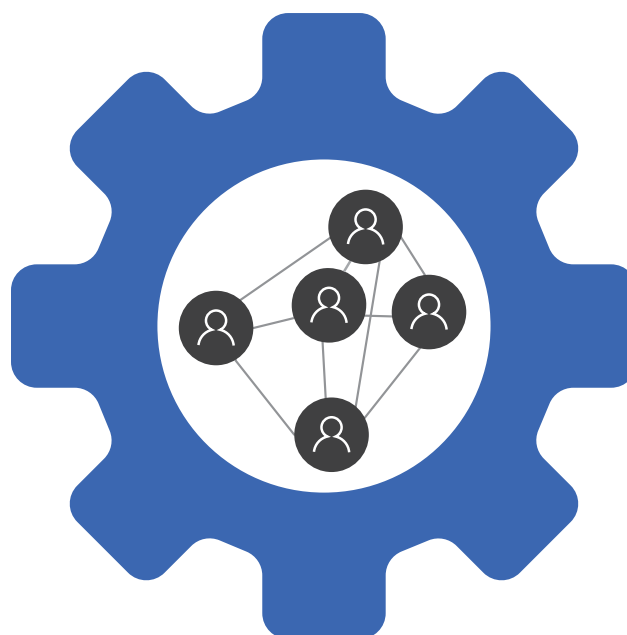
— Millennials are now the majority of the U.S. workforce and are projected to make up 50% of the global workforce by 2020.

— With 4 million baby boomers retiring nationwide each year, the looming talent crisis facing the insurance industry is a cause of concern for many organizations. With nearly 400,000 open positions projected by 2020 and less than 5% of millennials interested in working in insurance the industry needs to come together to find a solution.

— **Insurance Careers Trifecta**

Retain Top Talent: Listen to them, survey them, make them realize by action that their opinion matters!

Employee

A typical employee lifecycle by attracting the right talent into the organization. With the advancement of technology and ready access to information, there are multiple methods for enabling a complete and seamless employee experience, with personalization.

Today's talent expects their jobs to provide them with the same experience they enjoy in their day-to-day consumer and social space. In order to achieve this experience, **every organization needs to engage with their employees continuously** during their tenure at the organization-actively developing and growing them. This can be especially challenging in a high-demand environment such as the insurance industry with a high rate of turnover. Therefore, the need for employee engagement throughout the lifecycle of an employee is a must for a healthier workforce and overall success of the organization.

83% of surveyed employees said they would **participate in an employee listening program**

Only 62% of Baby Boomers surveyed believe **management will act on their input**, compared to 78% of millennials

HR practitioners who use **multiple listening methods** rated their organizational performance and reputation 24% higher that those who do not

Source: IBM Institute for Business Value
Amplifying Employee Voice

Figure 5

Typical Employee Lifecycle

Attract → Hire → Engage → Retain → Develop → Grow → Serve
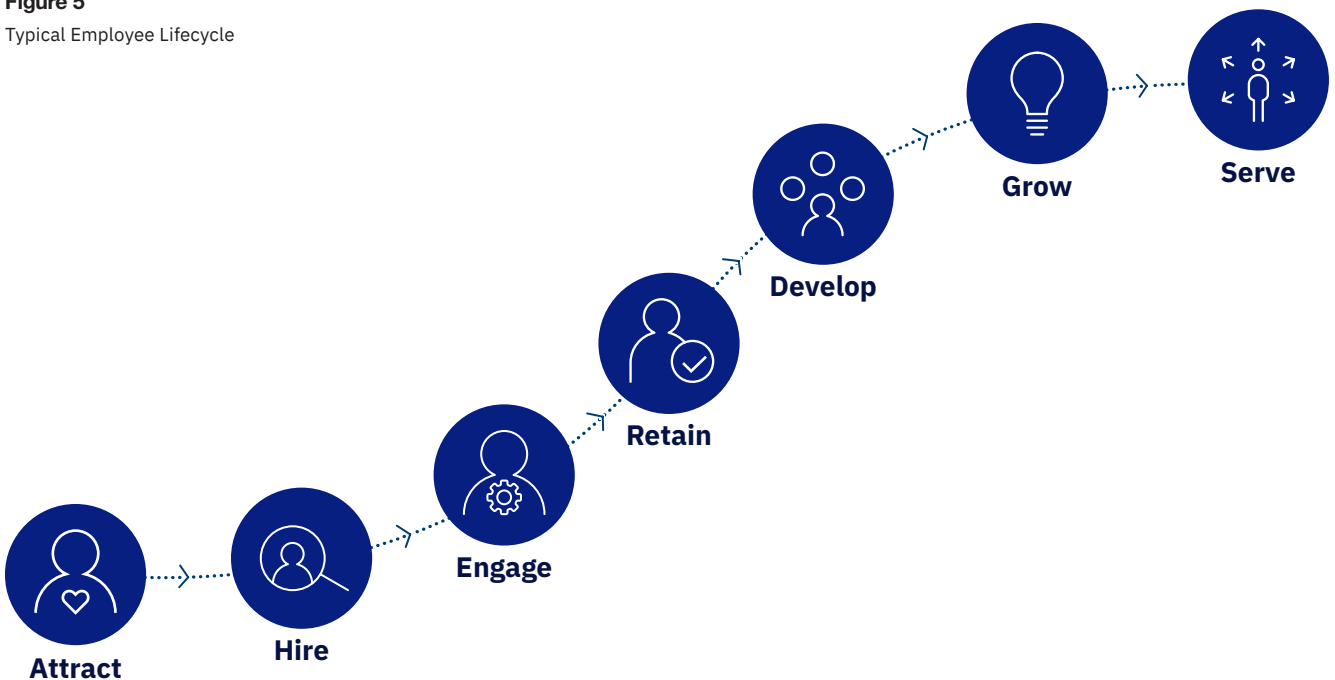
Digital HCM

With IBM and Oracle

IBM and Oracle technologies are designed to work cohesively for the insurance industry to adapt to the future demands of change across multiple talent, work and cultural dimensions. At every stage in the employee lifecycle there are solutions geared to ensure Insurance Providers and Payers can acquire, manage and retain top talent in the industry.

	Attract	Hire	Engage	Retain	Develop	Grow	Serve
IBM	Watson Candidate Assistant Adverse Impact Analytics (AIA)	Watson Recruitment	Shift Rostering		Your Learning Watson Talent Frameworks	Watson Career Coach	Chatbots IBM 1099 Solution for Oracle Cloud
ORACLE	Oracle's Talent Acquisition Solution (ORC (Fusion) and OTAC (Taleo)	Global Human Resources	Talent Profile Goal Management Performance Management	Workforce Predictions	Learning Management	Career and Succession Planning	Oracle Digital Assistant Oracle Compensation Cloud and Oracle Global Payroll Cloud

2

Common Human Capital Management (HCM) Challenges

Nickle LaMoreaux
Chief HR Officer
IBM Corporation

IBM's Chief HR Officer, Nickle LaMoreaux, highlights the historic shifts impacting HR today:

Consumer-grade expectations. Employees and job applicants have new expectations because of their rich digital experiences outside of work. They express themselves and connect on social media; the world is searchable and transparent; their questions can be answered 24x7 in a live chat. And then they come to work. Our job in HR is to create that connected, transparent, mobile, personalized, searchable and 24x7 universe through our workplace and our tools. It means investing in new technology and reinventing all our processes through the lens of the employee.

Ready access to artificial intelligence and deep learning is creating the opportunity to spot patterns and predict outcomes. This improves our decision support capability and workforce management—whether it is to select candidates who will be more successful, match an employee to job openings or infer an employee's skills from her digital footprint. We also can use bots to improve our productivity—for example, our analysis tells us that last week we saved 500 hours of Q&A time by training a Watson AI powered bot that answered more than 10,000 questions.

Skills obsolescence. Companies are being massively disrupted by technology and they have a desperate need for their employees to reskill themselves for the digital age.

3

HCM Challenges in Insurance Cognitive Enterprises

The increasing insurance regulations pose several challenges to Providers and Payers across the industry. In the United States, the Financial Industry Regulatory Authority (FINRA), Health Insurance Portability and Accountability Act (HIPAA), and General Data Protection Regulation (GDPR) demand insurance organizations increasingly adopt, adapt and thrive with the latest technology innovations available. But, at the core of these challenges is acquiring, rewarding and managing talent that make organizations successful. The top eight talent related challenges faced by the insurance industry today are:

Talent Acquisition

Tapping into highly skilled and trained talent pool is every insurance organization's primary challenge. Evolving recruitment processes that are staying abreast of the changing technological landscape such as social hiring and talent identification are taking an increasing toll on organizations' resources, time and money.

Unified People Experience

Lack of a unified experience for people that engage daily with the insurance organization results in having to provide and maintain multiple disparate systems severely hampering seamless integration between various business functions.

On-boarding

Effectively on-boarding workers using automated new hire on-boarding and on-the-job training. Managing multiple on-boarding processes for all types of employment, including regular employees, agents, and contractors.

Regulatory Compliance

Assurance to meet regulatory hiring practices and labor laws around the world, including the Sarbanes-Oxley Act (SOX), Fair Labor Standards Act (FLSA), and Immigration and Nationality Act (INA), while maintaining proven assessment capabilities.

Operating under regulatory jurisdictions and compliance of the Financial Industry Regulatory Authority (FINRA), Health Insurance Portability and Accountability Act (HIPAA), and General Data Protection Regulation (GDPR), to increase transparency, reporting, and customer interaction.

Subscribing to Oracle Break Glass for enhanced data security leads the way for protecting employees from data breaches.

Upskilling and Talent Management

The rapid evolution of technology results in an ongoing need to upskill employees and get them ready for changing times. In addition, they must ensure they remain compliant with regulatory licenses and certifications needed for the many insurance services they provide.

Licenses and Certifications

Ensuring regulatory compliance with licenses and certifications for its people poses a recurring challenge for every insurance organization. Typically disparate systems are used in the industry to maintain active credentials for insurance professionals leading to increased time, resources and costs.

Predictive Workforce

Employee turnover costs at insurance organizations can hurt their profitability significantly and not being able to predict workforce longevity poses serious challenges with achieving business objectives.

Pay for Performance

Having a competitive compensation package is essential for retaining top talent in the Insurance Industry. To achieve employee satisfaction, employers must be able to seamlessly pay their employee's salary, residual sale commission and bonus in a clear and transparent way that is easy for employees to understand.

Companies must ensure their Payroll systems are equipped for the changing workforce market which is essential for the Insurance Industry where employees may be paid for 10+ years after termination.

4

Cognitive Insurance Talent Acquisition

Powered by IBM & Oracle

"60% of executives struggle to keep workforce skills current and relevant in the face of rapid technological advancement."

Source: IBM Institute for Business Value Facing the Storm, Navigating the global skills crisis

During most of the Digital Enterprise era, HR departments were focused more on record keeping via some digital medium. Although this allowed for efficiency gains by being more organized, HR continued to face critical challenges such as **quality of hire, time taken to onboard, high employee turnover and attrition.** High workforce retirement rates, attrition of short-term workers, difficulty to attract skilled college graduates, and a speed-to-hire digitally inclined candidates are some of the most common challenges faced by our insurance clients.

Often these challenges exist because of the consumer-driven disruption that is occurring in the current talent marketplace. Insurance companies who previously had a robust talent pipelines now find themselves competing for talent with the likes of Google, Amazon, Netflix, and Facebook who are also hiring similar skilled, technologically savvy candidates.

With the advent of the Cognitive Enterprise era, "Intelligent Automation" enabled **insurance organizations to leverage Artificial Intelligence (AI) to solve people and mission related challenges**. AI allows for faster talent acquisition by better matching skills with roles, improving Key Performance Indicators (KPIs) such as time to fill a position thereby resulting in better predictability and revenues. Cognitive tools such as chatbots have allowed HR departments to improve exponentially with volume, precision and speed in their daily tasks.

Hiring the right talent quickly saves money and increases revenue and profits. IBM and Oracle have specific AI and Cognitive solutions to address this need.

90% of recruiters believe the labor market is candidate-driven

— **MRINetwork Recruiter Sentiment Study with insights from employers and candidates, June 2017**

IBM Talent Acquisition Solution Suite

IBM Watson® Candidate Assistant

IBM Watson Candidate Assistant is an AI and cognitive talent management solution that engages job seekers in personalized discussions and recommends positions that fit their skills and experiences to help them find a job that they will thrive in and grow with. By building trust and confidence in their first interaction with your company and recommending roles for job seekers that will fit their skills and experiences, costly hiring mistakes are avoided, and new hires turn into valued employees who will contribute to the success of the company.
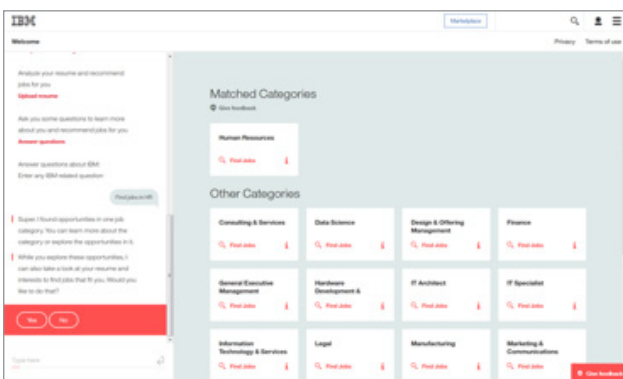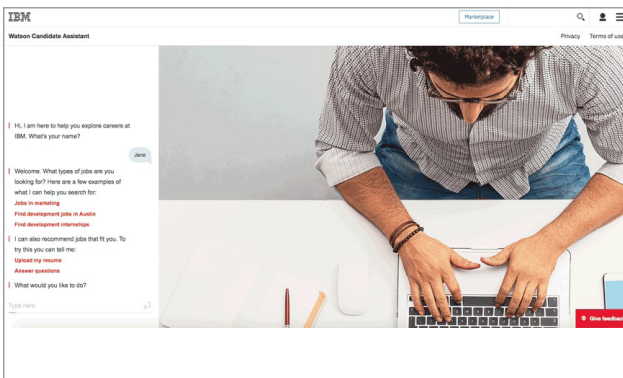
IBM Watson® Recruitment

IBM® Watson™ Recruitment (IWR) is an AI-powered talent management solution that works seamlessly with your Applicant Tracking System (ATS) to increase recruiter efficiency. It surfaces the most qualified candidates for the job—without human bias—and identifies adverse impact. IWR focuses on skills and experiences. It does not take into account things such as a candidate's name, which human recruiters and hiring managers are likely to use to infer gender, ethnicity and other potential conscious or unconscious identifiers.

IBM Watson® Talent Match

With IBM Watson Talent Match, you can look beyond keywords to evaluate important intangibles—such as indirect skills—that are not explicitly specified on a resume. Rigorous evaluation of unstructured information, job classification, competency, skills and behavioral traits is available.

Watson Candidate Assistant wins:

– Ventana Research 2018 Digital Innovation Award

– Human Resource Executive Top HR Product 2018

Oracle Recruiting Cloud (ORC)
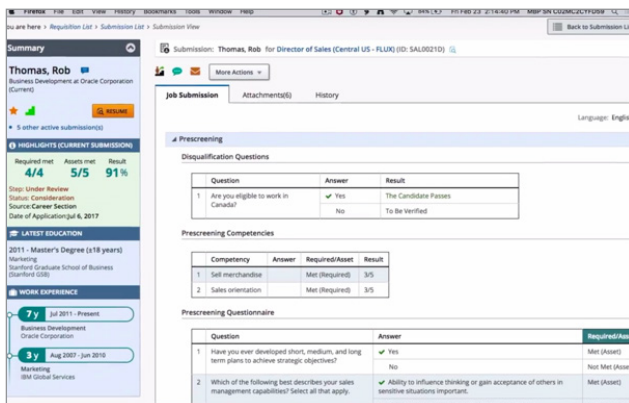
Oracle Cloud HCM offers multiple options for talent acquisition including **Oracle Recruiting Cloud (ORC)** and Oracle Talent Acquisition Cloud (OTAC). ORC is a new recruiting and candidate relationship management solution delivered natively as part of the Oracle Cloud HCM suite. It enables employers to track and measure complete information about their talent across the HR spectrum. It keeps the candidate experience at the center of the recruiting process by leveraging innovative technologies such as chatbots, and a modern and mobile-friendly User Experience (UX). A key differentiator with ORC is the seamless integration with key onboarding processes that are part of the HCM Cloud suite of services.

Multichannel sourcing of talent by integrating with job boards and social networks such as LinkedIn.

Customer branded career portal/site with the ability to incorporate media support for video, audio and other forms.

Interview scheduling ability for a candidate to select an interview time slot made available by the recruiting team.

Additional information request from candidates after the initial application has been submitted.

Automated candidate selection facilitates a candidate to automatically move forward in a selection process if certain criteria are met in their current status.

Key considerations

A. ORC is delivered natively as a part of the Oracle Cloud HCM Suite. This means in order to take advantage of the ORC you must have purchased Oracle Cloud HCM.

B. IBM's Talent Acquisition Solution Suite has the ability to integrate with existing Oracle Taleo customers without requiring them to purchase any other Oracle products — such as the Oracle Cloud HCM.

5

Unified People Experience

" The Oracle solution implemented by IBM has enabled us to transform our approach to talent acquisition "

—Rita Essaian, Executive Administrator, Southern California Permanente Medical Group (SCPMG)

Oracle's Insurance-focused solutions provide a single platform and unified experience across the entire insurance organization. Agents, Inspectors, Underwriters, Brokers, and other insurance entities are all managed through a Global Single Instance (GSI) on a multi-pillar Oracle Cloud suite of products. Employees and other users in a insurance organization expect a similar experience to how they shop online or use social media interactions that allow for seamless navigation and user experience. **The Oracle Insurance Master Person Index solution along with Oracle Cloud HCM enables HR departments to bring that unified user experience to its people along with a single point of reference enabling real-time, unified, trusted data.** This also enables comprehensive enterprise-wide analytics that provide valuable insight to help organizations gain high efficiencies in insurance delivery.

Organizations are improving work efficiencies by simplifying and providing a consistent user experience to its people across technology deployed in the various business functions and day to day tasks performed by their people. IBM and Oracle provide a unique partnership to transform organizations to such optimal state in automating enterprise-wide business processes. From **deploying a single source of information to a consistent omni-channel experience, IBM and Oracle make it simpler for insurance workers** to conduct their business and focus more on what they do best — provide quality services to their customers.
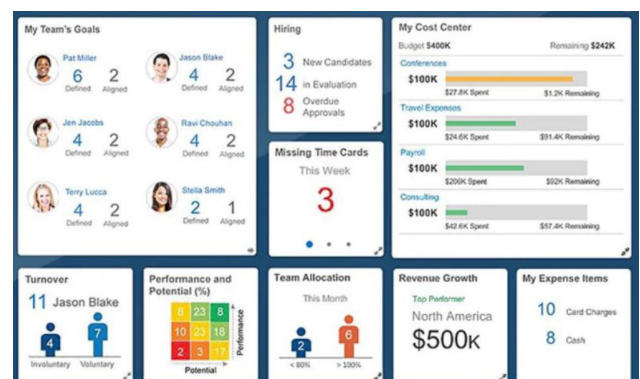
Oracle Human Capital Management Cloud using the Oracle HCM Mobile Platform allows useful features available in the mobile app including:

- **Learning**: Employees can view learning assignments offline

- **My Day**: Employees can view events scheduled for the day

- **Talent Profile**: Employees can view skills and qualifications

- **Goals**: Employees can track goals on the go

- **Pay**: Employees can view and download their pay slip PDF

- **Absences**: Employees can view planned absences and available balances

- **Time**: Employees can view time-cards

Supplementing the delivered Oracle functionality is **IBM's Watson® Career Coach.** A virtual assistant that aligns your business goals with your employees' career aspirations. Watson Career Coach learns about an employee's preferences and interests and makes recommendations for job roles based on their current role, skills and career moves others have made from this role. Watson serves as a personalized development coach and recommends learnings to close skill gaps to their preferred role. Internal mobility is encouraged by notifying employees of internal opportunities that are consistent with their career objectives.

Watson Career Coach
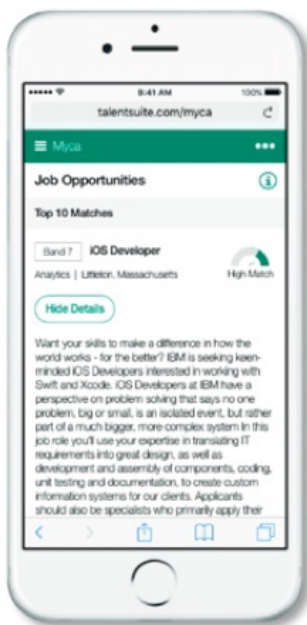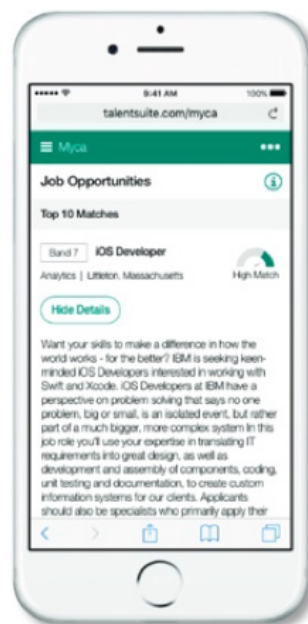

Choose best-fit roles
and apply directly
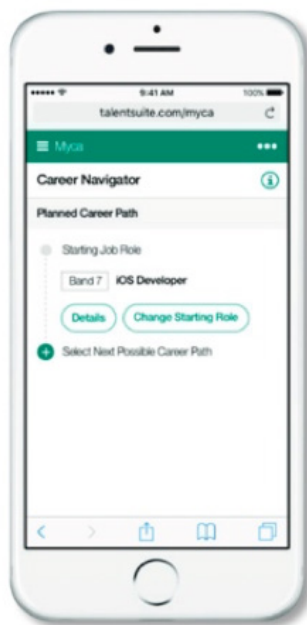
Explore career options
and plan next steps
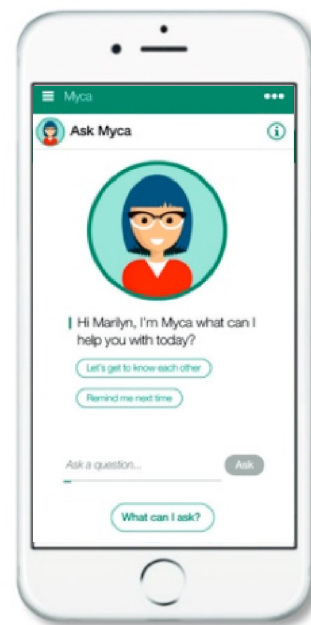
Seek answers to
career-related questions

Job Opportunity Match

Employees can find open job positions deemed a good fit for them, by answering a set of skills-based questions or uploading their resume. Using IBM Watson APIs, Career Coach matches users to internal job opportunities that are relevant to their current career experiences. Users can refine their search using location filter and apply directly from Watson Career Coach to initiate their next professional move.

Choose best-fit roles
and apply directly

Career Navigator

Employees can define a personalized career progression and receive guidance based on job transitions of others in similar positions and roles. Career Coach makes recommendations for each next step with multiple job role choices with ratings for each based on organizational demand and skill match.
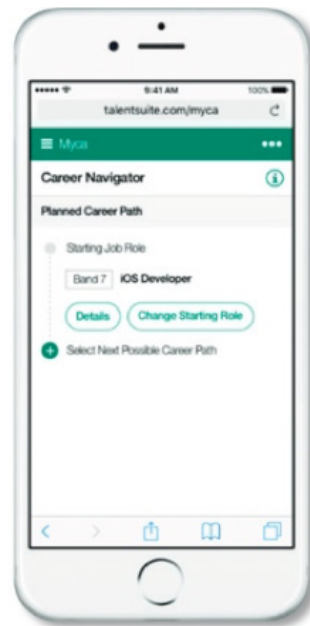
Explore career options
and plan next steps

Personal Career Advisor

Myca (My Career Advisor) is the mobile chatbot that employees can engage with anywhere, anytime. It interviews users, understands their needs, and provides instant, personalized career advice to the most commonly asked career-related questions. Powered by IBM Watson, *Myca* supports 40+ career-specific questions as well as general out-of-the-box 'chit-chat' queries. This cognitive-bot learns from user feedback on its answers and additional comments, to personalize and refine its future responses.
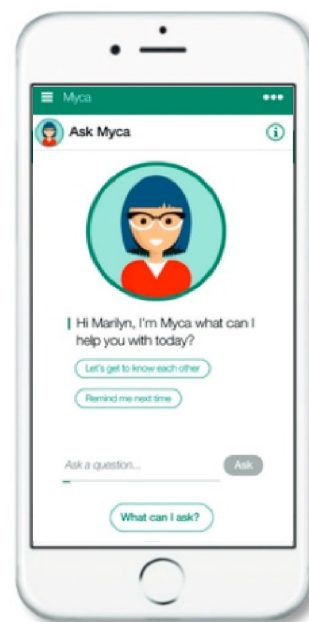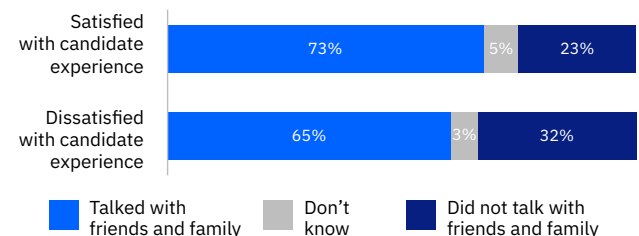

Seek answers to
career-related questions

6

Onboarding

The candidate experience, while starting during the recruitment process, continues through onboarding. The onboarding process is the candidate's, now employee, first encounter with the organization's business processes.

In the Insurance industry where staffing demands are high, and jobs have moderate or higher difficulty to fill, the speed to hire and onboard is a critical success factor for the business. An unpleasant onboarding experience can directly impact future hires — references, friends and family. **Oracle's onboarding platform automates** your onboarding process by making it available online. Configurable onboarding portals help candidates quickly complete necessary documentation. These onboarding portals have the ability to host rich media content and integrated compliance and role-based training. All this, even before their first day on the job!

Adverse Impact Analytics (AIA) enables clients to observe areas of possible Adverse Impact within hiring models produced by IBM Watson Recruitment (IWR). Adverse Impact can either be" trained" with data used to train the system, or it can develop over time as we you the system based on user biases. Adverse Impact Analytics can be used to reveal both of these impacts.

Candidates talk regardless of candidate experience:

Satisfied with candidate experience	73%	5%	23%
Dissatisfied with candidate experience	65%	3%	32%

■ Talked with friends and family   ■ Don't know   ■ Did not talk with friends and family

Source: WorkTrendsTM 2016 Global
(Recent job applicants n=7,096)

7

Regulatory Compliance

Companies in the Insurance industry must have assurance to meet regulatory hiring practices and labor laws around the world, including the Sarbanes-Oxley Act (SOX), Fair Labor Standards Act (FLSA), and Immigration and Nationality Act (INA), while maintaining proven assessment capabilities. They must also be able to operate under regulatory jurisdictions and compliance of the Financial Industry Regulatory Authority (FINRA), Health Insurance Portability and Accountability Act (HIPAA), and General Data Protection Regulation (GDPR), to increase transparency, reporting, and customer interaction.

During the recruiting and onboarding processes, labor law compliance is mandatory for all industries. However, because of insurance providers unique blended workforce inclusive of regular employees, agents, and independent contractors, they need superior technological solutions to reduce compliance costs, complexity, and administrative overhead while guiding recruiters and managers through labor, payroll, immigration, tax, and fiduciary law compliance.

Oracle Cloud HCM is inherently built with external assessment entities and independent auditors to meet a plethora of international and industry-specific compliance standards.

Specifically, with **Oracle Recruiting Cloud**, you can easily and consistently track candidates through the hiring process and meet the fair hiring practices and laws around the world such as Equal Employment Opportunity in the United States and local data privacy and employment laws in Europe and Asia.

Instant Short List makes the job of screening candidates as easy as possible while simultaneously enabling high quality with advanced search, innovative quick-filter technology, and proven screening and assessment capabilities.

Background checks are run on candidates as part of their candidate selection process to ensure their background is verified before hiring them. Third party integration capability to background check vendors with Oracle Recruiting is also available.

Oracle Break Glass enables organizations to re-strict access to their cloud environment and data through non-application interfaces while restricting administrative data access to systems and services. Furthermore, the data will be secured by Oracle's Database Vault and Transparent Data Encryption (TDE).

8

Upskilling and Talent Management

" 60% of Executives globally confirmed that they are struggling to keep their workforce current and relevant "

— IBM Institute of Business Value

With continual technology transformations and job roles dramatically fluctuating, the insurance industry is faced with significant workforce disruption and transition. While the aging workforce retires, and college graduates are hired, organizations need to address talent obstacles inclusive of securing, developing, and retaining the right talent with the right skills critical for success. Furthermore, all employees are demanding clear visibility to future career opportunities through individualized training programs, performance evaluations, and career development that align directly with their organization's objectives and goals.

Learning delivery has evolved to digital platforms that provide consumer grade learning experiences along with the flexibility to scale. **Coupled with cognitive tools and AI, learning management delivers bite-sized content to help agents, brokers and claims adjudicators learn and adapt to newer technological advances in their daily tasks**.

Upskilling your existing workforce is directly connected to Talent Management. As more and more Gen Y and Gen Z employees join insurers, **the need to manage talent with effective career development and succession planning is essential for the continued success of insurers.** Allowing people to define their individual goals and tracking their performance provides valuable insight into current performance levels as well as sets the stage for predicting their growth in the company.

Talent Management enables Managers to play a larger role in the professional development and retention of their direct reports

Oracle Learning Management

Oracle Learning Cloud is available for everyone, anytime, anywhere. Learners can discover, consume, publish, and collaborate using the social features of liking, recommending, or contributing to the conversation. They can also download content to mobile devices to consume learning offline.

Learners can discover and consume learning that is relevant to their job roles. Subject matter experts can easily share their knowledge with the rest of the organization and gain recognition for their contributions.

HR specialists can manage the learning catalog and drive compliance needs by administering required learning across the organization.

Automation and Assurance of Compliance Training is available in Oracle Learning Cloud.

HR specialists can set up certification compliance with complex assignment rules around expiration and renewal.

Oracle Learning Cloud
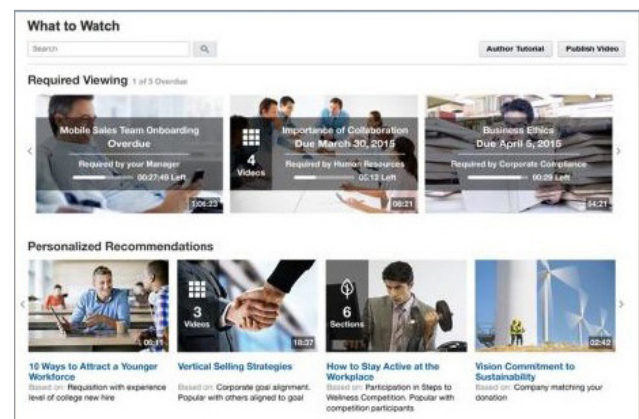
IBM Watson Talent Frameworks

IBM Watson® Talent Frameworks

IBM Watson Talent Frameworks is a ready-to-use library of job profiles and associated skills. It includes more than 150+ insurance specific job profiles that include the skills required of Actuarial, Agent Service and Support, Annuities, Claims Processing, Healthcare Insurance Management, Insurance Administration, Insurance Sales and Marketing, Loss Control/Risk Engineering, Product Development, Quality Management and Compliance, and Underwriting job families.

IBM Watson Talent Frameworks includes several key elements:

- **Pre-defined job profiles** detailed with skills and levels of proficiency employees need to excel

- **Standard job descriptions** attract qualified candidates by clearly defining key responsibilities

- **Job-specific skills**, behaviors and coaching tips support managers in facilitating clear, objective performance reviews

- **SMART development statements** give employees specialized, actionable practices to help them improve and achieve more

- **Job taxonomy** drives engagement with clear and transparent career opportunities
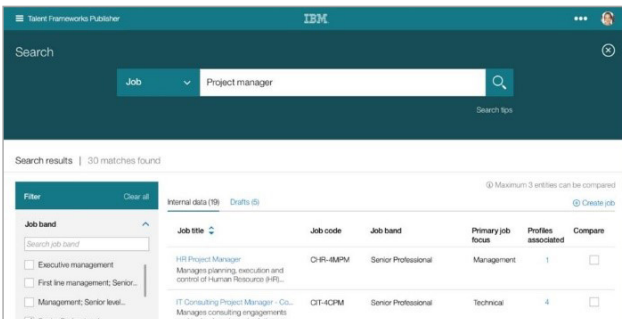
IBM Watson® Talent Frameworks Publisher

IBM Watson Talent Frameworks Publisher is a complete cloud-based skills management solution allowing you to add, edit and customize jobs and skills content and then inventory employee skills against these benchmarks to explore gaps at individual, departmental and organizational levels.
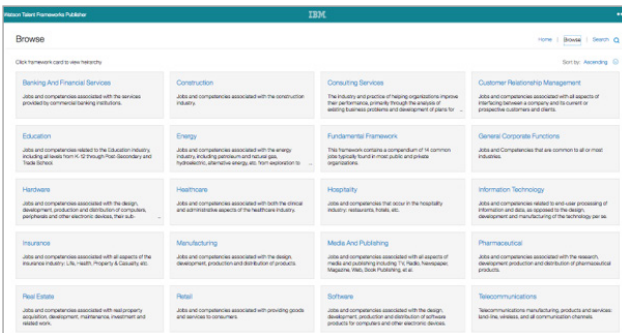
Oracle Talent Management Cloud

Oracle Talent Management Cloud manages core talent processes that keep employees engaged, and nurture them to be more strategic and productive in their work. It allows organizations to review and analyze talent, retain important skills, provide career opportunities, and attain their goals while improving performance, conducting talent reviews, and planning for leadership succession.

Empower employees to create an up-to-date profile of their skills, education, accomplishments and career preferences which reflect their individual goals and aspirations.

Modernize performance management through continuous goal conversations, alignment, and frequent checkpoints to capture formal and informal feedback that enables employees and managers to track progress and increase individual success.

Cultivate talent by enabling employees to identify career opportunities, skills, development goals, and learnings that bring them closer to their career goals.

Plan for the future with talent review and succession management capabilities that facilitate leadership discussions to calibrate talent, identify risk and impact of loss, manage talent pools, and create success plans.

Key Benefits:

– Improve productivity through a single portal of interaction to HR, line managers and employees

– Provide anytime feedback to employees

– Utilize embedded contextual reporting throughout the entire application

– Increase process espousal through a delivered framework and best practices

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Licenses and Certifications

The most common activities in any insurance provider's hiring process is the insurance professional credential verification. This is primarily done to avoid any regulatory issues when providing care and more importantly to **ensure that consumers are in trusted hands with a qualified and certified insurance professional.**

The rapid expansion of insurance needs across the United States in the past three decades has resulted in situations where insurance professionals may need to provide care in states where they may not be licensed.

To ensure the organization does not run into risk of missing key information or sanctions that make a insurance professional ineligible to provide service, the organization must go beyond minimal requirements verification.

The Oracle Cloud HCM solution, as part of its Profile Management features, allows for tracking of insurance professional's licenses and certifications. Insurance professionals may use the self-service tools available in Oracle to keep their information current while the organization can integrate with third-party verification providers to update or override certifications.

IBM cognitive tools in conjunction with Oracle Cloud HCM intelligently track and allow scheduling or shift assignment for insurance professionals only in locations and positions where they are licensed to perform their service.

Oracle Validated Integrations (OVI) allow for insurance organizations to verify their staff licenses

Oracle's Learning Cloud is available for everyone, anytime, anywhere. Learners can discover, consume, publish, and collaborate with personalized learning content using the social features of liking, recommending, or contributing to the conversation. Subject Matter Experts can also easily share their knowledge, build a reputation, and inspire others to leverage their expertise through the creation of learning communities that solve for complex business problems. HR Specialists can manage the online offerings, courses, videos, and specializations to drive compliance needs by administering required learning store wide.

In the insurance industry, it is critical for employees to keep their license and certifications up to date for compliance. **Automation and Assurance of Compliance Training** is available in Oracle Learning.
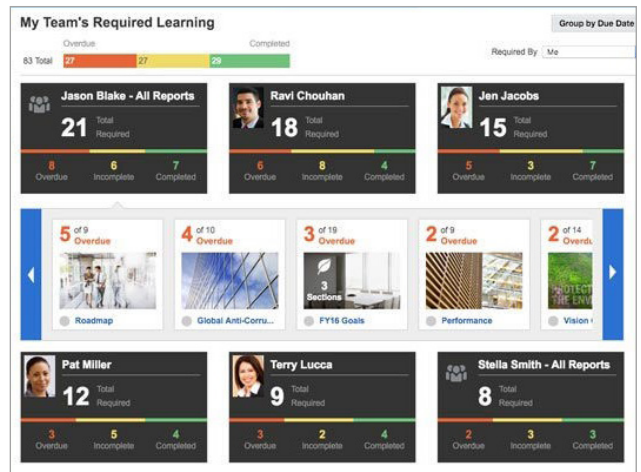
IBM Watson® Talent Frameworks complement the cloud by offering 20,000+ learning activities, books, websites, and content to help develop employee's skills and competencies.

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Predictive Insurance Workforce

Oracle HCM **Workforce Predictions** provides forward-looking insight into your workforce trends and enables you to take action early, aligning human capital plans with organizational business objectives.

Predictions uses current and historical indicators to predict performance and attrition, determines corrective action through "what if" scenario modeling and provides the ability to implement that corrective action. Several factors are taken into account while constructing the "what if" scenarios such as historical and current employee performance, their compensation history, vacation and time off patterns.

Predict Worker and Team Performance
Insights regarding how a worker may perform in a new role, given their current skills and experience.

Predict Worker and Team Attrition
Leverage 9-box view of your workforce to identify "at risk" top performers and focus on taking steps to retain them.

Improve Performance and Reduce Attrition through "What If" Modeling
Model different scenarios to see how changes in policies, vacation, pay, or promotions can affect your organization.

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Pay for Performance

Having a competitive compensation package is essential for retaining top talent in the Insurance Industry. To achieve employee satisfaction, employers must be able to seamlessly pay their employees' Salaries, Residual Sale Commission, Bonus in a clear conscience way that's easy for employees to understand. Therefore, companies must ensure their Payroll systems are equipped for the changing workforce market which is essential for the Insurance Industry where employees maybe paid for 10+ years after termination.

Oracle HCM **Compensation and Global Payroll** provides companies a way to create compensation plans which include: Salary, commission, bonus, incentive payments, promotion increases, and other types of payments. While there are some limitations to the Oracle HCM, IBM has pre-solutioned these limitations based on our work and experience in the Insurance Industry.

The Oracle HCM Compensation module allows companies in the Insurance Industry to track and manage compensation information for both active and inactive employees by utilizing grades and grade rates to assign salary based on job title, years of experience, and sales goals for the month, quarter, or yearly targets. This allows companies to be able to have predefined targets that can be easily modified as the market place changes. Another feature of the compensation module is the ease that companies are be able to set up commission targets which can be approved by managers, then seamlessly transferred to the Payroll module for processing. This allows companies in the Insurance Industry a way to provide managers with secure and easy access to pay employees for their performance.

Compensation Cycle

The compensation plans can be deployed with the following tasks by a Compensation Administrator (Super User):

1. Create the Plan Cycle which includes plan specific dates for Start and End, Eligibility and the HR data extract
2. Define the performance review period used to display performance ratings
3. Verify all employees have a manager assignment

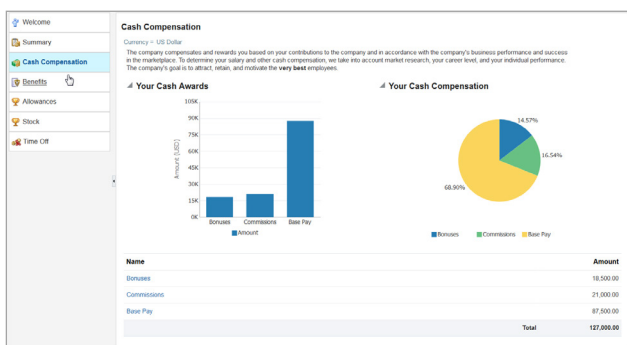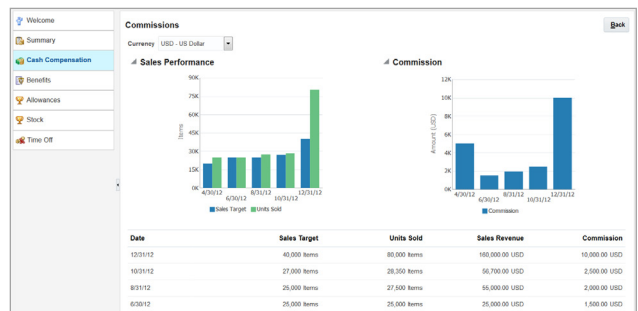Once these steps are completed the plan is ready to be deployed.

Total Compensation Statement

Most employees consider compensation to be what they see in their pay checks and do not consider the indirect compensation they receive in non-cash forms. Therefore, companies must utilize total compensation statements to highlight direct and indirect compensation to communicate compensation, rewards and the cost of benefits in order to provide workers a complete view of the cost of their employment.

In Oracle HCM Compensation, Total Compensation Statements are **highly configurable**. IBM can help companies in the Insurance Industry define and manage the design, content, and delivery of statements to fit the need of any company or organization. For example, companies can configure multiple statements based on the needs of each department, country, or division. Therefore, companies can address the specific needs as the Insurance Industry changes based on product, location, and region.

Companies may also include any type of monetary or non-monetary compensation in a total compensation statement. Highlight compensation normally overlooked by employees such as:

- Sales Performance tracking and how it affects commission payments
- The cost of fringe benefits or perquisites
- Company contributions for health and welfare benefits premiums
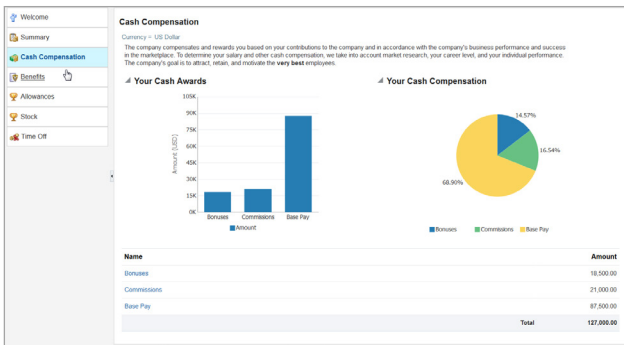- The value of stock grants
- The value of paid time off

With the usage of **Total Compensation Statements**, companies can help employees realize their true total compensation package, thus increasing employee motivation and retain your workforce.

IBM's HCM Payroll Solutions.

As market trends show, insurance industry employees have residual payments many years after leaving a company. Therefore, companies must be prepared process residual payments for their employees and beneficiaries while utilizing Oracle's HCM Payroll system.

- **Statutory Employees:** The insurance industry workforce is composed of statutory employees who work for companies but are considered contract employees. Therefore, employers are only required to withhold employer taxes, but not employee taxes. These employees are then issued 1099. As of Release 19C, the Oracle HCM Payroll module **does not support** 1099 payments. IBM's has developed a resolution to bridge this gap through a custom interface that will identify statutory employees so they can be sent to your tax provider to produce their 1099's. Therefore, companies are able to process statutory employees in their payroll and remit the information for year-end processing.

Utilizing Digital Technology to Drive Payroll Efficiencies.

Automation, Robotics & Analytics technology help Oracle clients achieve real-time visibility, reduce risk and automate operations. With the rise of digital

technology tools like RPA, AI and chatbot, companies must utilize these resources to ensure they are efficient in their everyday processes to allow for more time for strategic work to be done.

- **Automation**: Automation is an enhancement of IBM's Oracle Cloud HCM premier offering. Robotic Process Automation (RPA) is dynamic automation for the back-office. According to Ernst & Young, "RPA can step in to replace extensive multi-step processes that depend on multiple systems (such as onboarding) or labor-intensive repeatable rules-based processes, or to address data processing errors and data compliance issues."

- **Robotics**: Robotics is an enhancement of IBM's HCM Cloud premier offering to operate faster, smarter, and more efficient. Bots help organizations keep up with a rapidly changing workforce. Bots can replace and improve traditional HR processes:
  - Recruiting
  - On-boarding
  - Retaining staff
  - Managing payroll, benefits, and retirement plans
  - Advocating for employees

- **Analytics**: Every implementation is enabled with analytics. The complexity is driven by the disparity or integration of client data sources. Oracle Analytics Cloud (OAC) is a single platform that empowers your entire organization to ask any question of any data in any environment on any device against ERP cloud data to big data repositories.
  - First significant HCM OAC implementation in NA
  - Self-Service Enhancements
  - Enterprise Class
  - Flexible model

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Conclusion

Strong digital skills are now a must-have — not a nice-to-have — for US health insurers. A few payers have succeeded with digital; those that haven't cannot afford to be left behind

—McKinsey and Company report

The convergence of technological innovation, social and regulatory transformations have changed the Insurance industry to be even more focused on value-based care. To stay in step with the disruption and remain competitive in the marketplace, the emergence of the Cognitive Insurance Enterprise is inevitable. The ability to manage the needs of your workforce from recruitment and learning to retention is paramount to the success of the enterprise. The opportunity to harness Oracle's vertically integrated HCM Cloud with IBM's Cognitive capabilities has the potential to accelerate industry transformation into intelligent automation.

To learn more or to request a demo of IBM's Oracle Cloud HCM capabilities with Cognitive Solutions for the Providers and Payers in the Insurance industry, please reach out to your IBM client executive.

76%

of millennials think professional development opportunities are one of the most important elements of company culture

—2017 Hiring Outlook

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Client Case Study

" We chose IBM Global Business Services as our integration partner because we were impressed they were able to demonstrate they have deep knowledge of our industry, and the strength of their strategic alliance with Oracle. "

– **Steve Finlayson, Head of Business Solutions, People Function, Standard Life**

Read success story
ibm.biz/standardlifecasestudy

Standard Life

Investing in Talent for a Strong Future with Oracle Human Capital Management (HCM) Cloud

Problem

Standard Life Aberdeen (formerly Standard Life) is an investment company, headquartered in Edinburgh, with operations across the globe. The company has £670 billion under management making it Europe's second largest fund manager. It has offices in 50 cities providing services to clients in 80 countries and employs 1,000 investment professionals. In March 2017, Standard Life reached an agreement to merge with the investment company Aberdeen Asset Management and was renamed Standard Life Aberdeen. The financial market is a highly competitive area and it became clear that Standard Life needed to revamp its approach to human capital management.

Requirements

- Identify, develop and retain talent across its global operations
- Enable meaningful comparisons of employee performance
- Integrated talent management and compensation solution

Solution

- Oracle Human Capital Management (HCM) Cloud
- Oracle Talent Management Cloud

Results

- Aligned **performance, reward and talent** management processes
- **Integrated view of the workforce** across the company
- Established a **direct link between performance and reward** to encourage productivity
- Addressed **employee retention risks** and encouraged development

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Why IBM?

IBM is one of Oracle's largest and most experienced systems integration partners jointly helping customers for over 35 years:

Oracle Partner

2019 Oracle Excellence Award for North America Oracle HCM Cloud Partner of the Year
ibm.biz/hcmcloud2019award

Preferred partner of choice for BPO for Oracle Payroll Cloud and Oracle HCM Cloud
ibm.biz/preferredBPOpayrollpartner

10,000+ dedicated Oracle consultants

2,000+ Oracle Cloud certifications

375+ Oracle Cloud go-lives

10+ Oracle-specific delivery centers

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