

Mantissa Group News

The CIO Agenda

.....From the Desk

As we approach the second half of 2020, it has become obvious that this is like no other year in recent memory. In order to gather sentiment, **Mantissa** has conducted a large-scale interview and survey process with **CIO's** across industries as well as CEO's and founders of the **software vendor community**.

We have learned a lot about the effect of the economic impact of COVID and the results may surprise you. Later in this newsletter, we will preview our upcoming report based on this survey. We'll leave you with two high level themes; **Theme 1:** Insurance companies are completely rethinking their business models, and while we are heading into a period of austerity (cost cutting) in the second half of 2020, this is exactly the time for CIO's to be having strategic conversations. **Theme 2:** the insuretech vendor community has never been so vibrant. Our interviews with CEO's and founders are showcasing a whole new digital and cloud native approach, and this is setting the stage to potentially displace the assumed leaders in the current landscape. We see this as a remarkable trend and are seeing a shift in the positioning of vendor solutions.

This edition of **Mantissa Group News** will discuss our views of what is to come in the second half of 2020. We will also showcase Linda Marr in our **Mantissa Spotlight** segment. Linda was the guest author in our 5-part series entitled, *The Digital Enterprise*. Linda is a highly

respected industry veteran; we think you will enjoy her story, while learning about the powerful woman behind a brilliant career.

Company News



Mantissa has spent the last quarter focusing on the priorities of our CIO's, concentrating on their technology **strategy** and executive **coaching** needs. Surprisingly, we also spent a significant amount of our time working with insuretechs, as we are seeing disruptive emergent companies in many areas. Our **research** also continues to grow with the publication of two substantial series, *The Digital Enterprise*, and *The Annuities Industry*. Feedback has been fantastic, and my personal thanks to the CIO's who pushed us to write both series.

Finally, we are excited to be working on two important strategic partnerships, both of which will add diversity and substantial scale to our company. More to come on our progress in the coming year.

Our Reading List

Some recommendations for your 2020 reading list:

1. Goliath's Revenge
- Todd Hewlin and Scott Snyder
2. The Financial Verse
- Harry N. Stout

Thank you all for your commitment to Mantissa, and we hope you enjoy this edition of our newsletter.

Note about our Reading List

The Financial Verse is Authored by financial services leader Harry N. Stout. The book provides a much-needed roadmap of what to expect in our financial lives. This starts in our Adulthood Stage, to working in the Striving Stage to the final or Fulfilling Stage of later life. Harry acts as your guide and spells out, in a very understandable way, what the risks, opportunities and key decisions the reader will need to make as they move through each stage. He explores what it is like to make decisions influenced by today's technology, economic trends, and work opportunities.

What makes this such a personal recommendation for Mantissa? He is a friend and former boss while serving as President at ING Annuities.

From the Perch

Mantissa reported last quarter the growth of our executive team with the addition of **Sean McCarthy** to the firm. Comments are *in his own words*.

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As I sit here from my perch and take in a 360 view of 2020, there sure has been a lot that has changed in the world around us, yet at the same time there is a lot of consistency.

Staying consistent are the goals of Mantissa. Since joining Mantissa, I have been impressed with the quality of our work and the way we have had such a strategic impact on our clients. For many of us, the business to business dynamic has changed as we are all now experts in Zoom and video meetings. What has not changed and will always hold true is personal touch, building relationships, and adding value.

At Mantissa we are always focused on adding value. CIO's and technology leaders rely on us for strategic technical guidance, executive coaching, and our research library. As part of Mantissa, and while I cannot elaborate much more now, our developing strategic partnerships with some very respected companies will give us incredible scale.

I am extremely proud to be a part of Mantissa and look forward to guiding the company to big things!

Outlook: Companies Return to Work Plans



As we continue to navigate the unique challenges that have come in 2020, companies are starting to look at how to best formulate a return to work plan. It will be vitally important for companies to pay close attention to guidelines issued by federal agencies such as the U.S. Centers for Disease Control and Prevention (CDC), and the Occupational Safety and Health Administration (OSHA). These organizations have some basic prevention measures to consider, including educating employees on preventive measures to reduce the risk of spreading COVID-19. This involves providing employees, customers,

and other workplace visitors with a place to wash their hands, establish policies and procedures that encourage social distancing, and enhanced environmental cleaning and disinfecting.

It will also be important to pay close attention to guidelines issued by state and local municipalities. Some states and municipalities have issued orders for all companies that fall within their jurisdiction.

We will also see many companies implement a phased approach to returning employees to the workplace. This would involve returns on a gradual basis to limit the number of employees on site at a location at any given time. This also lowers the burden on the company and cleaning crews in being able to provide enhanced office cleaning and disinfection.

Most companies' return to work plan, even with a phased approach, won't begin until after Labor Day. Other companies won't be returning until 2021, and a smaller group of companies are also allowing for permanent work from home arrangements.

Regardless of the approach selected, continual monitoring of guidelines and having mitigation plans will be of vital importance.

Outlook: Cost Reductions Define second half of 2020?

As we approach the latter half of 2020, companies have many important considerations and decisions to make. For one, as discussed in the previous section, companies large and small are determining how to manage and formulate a return to work plan. While that is vitally important, employers should also put themselves in the shoes of their employees and consider their concerns related to job security. It is certainly understandable that

cost reductions will be necessary, and it would be negligent for leaders not to take measures to keep the company running efficiently. How a company decides to go about that is the big question.

Given the current environment, we feel there are three important ways to go about this effectively:



- 1. Transparency and specificity with employees:** Most employees understand and can see many of the challenges that the pandemic is bringing to companies, so being clear and honest will go a long way. If the goal is to keep employees happy and protect against job losses, let that be known. Also be clear how the company plans to cut these costs, whether through low cost work initiatives, reduction in travel, unique work arrangements, etc.
- 2. Involve employees:** Opening up the discussion on how to cut costs with employees will also garner much better buy in on the cost cutting methods that are ultimately decided on. On top of that, this may lead to some unique ideas that may turn out to be effective.
- 3. Lead by example:** It is also important to lead by example. What does this mean? Nothing is more demoralizing as an employee than feeling marginalized and expendable. If the rank and file are seeing cutbacks in certain areas, the company should ensure that there is an element of transparency and fairness in whatever process is implemented.

MANTISSA SPOTLIGHT: LINDA MARR

Our interview with LINDA MARR, contributor to Mantissa and Industry Executive

Our company philosophy at Mantissa is that *success lies at the intersection of strategy, leadership, and research*. Linda Marr is a former insurance executive who contributes to this very mission with Mantissa. She is an expert in technology strategy, leadership development, as well as data, data strategy, and process improvement.

Linda serves as guest author and delivery expert for Mantissa Group. She is the primary contributor to Mantissa's 5-part series entitled, *The Digital Touch* and a leading expert on a wide variety of strategic matters affecting the CIO and their leadership teams. She also serves on the Mantissa Group advisory board and is a model for women who aspire a career in technology. We find Linda's story to be powerful and wanted to share her story with our CIO audience and leaders.

Mantissa: Can you tell us about your background?

Marr: My major was physical education in college, and then changed to mathematics because I found that I really didn't love the idea of teaching. My college internships led me to pursuing additional training at a private programming school where I learned the languages Fortran, Assembler, and COBOL. I soon learned that that I *loved the study of business issues and IT solutioning, which still drives me today*. I like to understand things, business, technology, culture, and strategy. While this may have served me much more later in my career, I loved the details around understanding data and the process. As my career evolved, a highly influential woman (back then, technology was a male dominated

industry) once supported me with others and described me as a *helicopter* in that I can fly high and understand the broad business strategy, but equally capable of drilling down quickly and talking with people in the group in great detail. It is this skill that defines me today.

I used my skill as a programmer, and eventually began advancing in my career, in managerial level positions and eventually into executive roles. My love of understanding business problems and solutioning with technology stayed with me ever since – my mathematics training gave me the attention to detail and made a better programmer, and even better executive. I love business problems, I love data, and I am a process geek, so much so, I do not even travel the same way to work every day so that I can find a better way. Process gives you an understanding of what is going on. My favorite question is: why? I have an insatiable curiosity. My career has been in insurance for virtually all my career. To name a few companies: ING, Aetna, Mass Mutual, and even consulting with Virtusa. I've worked in a variety of domain areas, led conversions, and became a Life and Annuity expert. I retired 3 times, quickly learning that perhaps retiring is just not for me!

Mantissa: Why did you write about Digital?

Marr: Digital fascinates me, and really good digital enterprises truly understand data and process – my two areas of passion. The entire world society is adopting, and the speed of change is incredible. I love change – and it is evolving. I encourage readers to read my digital 5 part series: [The Digital Enterprise: 5 Part Series](#). This series allowed me to ask my favorite question,

“what if”, and really look at the subject matter from different dimensions.

Mantissa: What has changed in the Insurance Industry during your career?

Marr: **Distribution** has changed with the evolution of the career agent vs. the emergence of independent agents. Digitization is what jump started these revolutions, and Amazon changed the world, with deep customer orientation.

Also, the cost of old **legacy processes** is evolving but continues to be addressed. The Jack Welch philosophy – driving to a better product – continues to affect CEOs across the world. The Insurance industry tried to use Continuous Improvement toolset as a cost saving measure and unfortunately did not apply it to improving customer service, so more needs to be done there. The attention to customer orientation in Life and Annuity is a huge shift in the industry.

Finally, using **data** for things such as contracts, understanding the customer journey, and initiating direct contact from the insurance company to a customer or prospect represents a substantial shift. In the 1980’s – 2000, it was all about the agent sitting between the prospect and the insurance company. However, technology has changed this paradigm: Internet, eSignature, IVR, CRM, eApp, digital only companies, insuretechs, software development advancements (API’s), and cloud will have a massive impact.

Mantissa: What is your advice to women in the Industry?

Marr: The technology industry used to be male dominated; even military in many cases. Women had some presence, but most senior leaders were men. With smaller tech companies, women began to emerge,

leading the eventual emergence of women in larger companies. I give some of the larger fortune 100 companies credit for investing in STEM programs, which encourages women in the technology field.

On a personal note, I never *changed my style, even if it didn’t fit the male perspective* – I was once hired as the token female, working in a data center then advancing. I also learned that many decisions were made on the golf course as I was evolving in my career. So, being the driven leader that I am, I learned the game and joined an all male golf league. I could have changed my style over the years but did not. Integrity matters. I am pleased to see women in the profession, and believe it makes the field better.

Mantissa: What lessons can you share to CIO’s?

Marr: Surround yourself with people with differing opinions. Bring in different skills. Managers. Leaders. Theorists. Implementers. Get them all and create a think tank. Know the business. Know IT. Don’t be afraid of the details. Develop business relationships. Don’t have too many “yes” people. Encourage debate. Don’t be the “department of NO”. You have the responsibility to be the educator in chief. Integrate with the business. Encourage diversity and embrace it. Mentor people. Understand the impact of technology on the business. Don’t be afraid to change your mind. All of this is important, and most importantly, you are an executive with a vision – engage at that level with the CEO and your peers. Finally, *never forget those who have helped you.*

Mantissa: What do you do for fun?

Marr: Golf, Bike Ride, Read, Home Décor, spend time with my daughter!

Lead for the Future During COVID

Earlier this year, Mantissa Published a report entitled *The Unexpected Spotlight* See Report: [The Unexpected Spotlight](#). This report discusses the leadership lesson that resulted from a serious technical challenge. While others



focused on the technical issues associated with this challenge (e.g. remote workers, technology, productivity), we approached it from a **leadership** perspective, mainly because we understand that the CIO and

leadership teams will be ultimately judged by how they conduct themselves both during this time and after we return to “normal”. We believe that now is precisely the time that the CIO must look forward and begin to chart a new strategic path forward.

As a leader, if you fail to anticipate the post-COVID reality, now more so than ever, you are missing the critical signals. We know that sales are down in the first half of the year, and 2020 will likely be a down year. Therefore, we believe that companies will have to adapt to changes in one way or another, as does the CIO, so matters such as **strategic planning, cost reductions, an efficient plan for return to work** and finding a way to **keep employees engaged**, are examples of key considerations. We worry that CIO’s will incorrectly assume business as usual as we focus on the second half of 2020 and into 2021.

So, for a CIO, getting through the pandemic is top of mind for most everybody. Certainly thinking about ways to achieving normalcy is important, but CIO’s must muster every strategic bone in their body to look well beyond return to work and develop a plan to not only survive the pandemic but find ways to try to thrive well into 2021.

Our Upcoming Writing Priorities

As you may have seen, Mantissa has concluded two powerful 5-Part series, *The Digital Enterprise*, and *The Annuities Industry*. We will continue with our philosophy of *going deep* into a solution or relevant subject matter.

We are having conversations with some of the best emerging software providers in the engagement, or digital, technologies. We tend to look for companies who are emerging and with technical substance to offer the market. We have also conducted our largest survey of CIO’s and business executives regarding post-COVID, return to work plans, with insightful learnings. More to come on the details of our next project, but we look forward to sharing our research with you.

In the News

Several surprising blockbuster deals have emerged in the second quarter of the year and we have picked two that we believe have real relevance and significance to the marketplace.

KKR to Buy Global Atlantic for \$4.4B, KKR & Co., a private equity firm, announced on July 8th it will buy Global Atlantic Financial Group. The deal is expected to be more than \$4.4 billion. It is expected to close in the first part of 2021.

See Article: [KKR to Buy Global Atlantic, Adding Almost \\$90 Billion in Assets](#)

According to the press release, the deal “builds KKR’s scale in insurance and offers cross-pollination opportunities for investment strategies at both entities,” David Havens, a credit analyst at Imperial Capital LLC.

Mantissa believes both companies benefit strategically in this deal.

Vanguard to Shift 1,300 Jobs to Infosys, around 1,300 positions supporting its full-service recordkeeping client administration, operations and technology functions are shifting to Infosys.

See Article: [Vanguard to Shift 1,300 Jobs to Infosys](#)

In this mega deal, and according to the press release, Vanguard is shifting about 1,300 positions supporting its full-service recordkeeping client administration, operations, and technology functions to outsourcing partner and giant Infosys as part of a new strategic partnership between the companies.

The initiative is part of Vanguard’s “ongoing strategy to enhance and evolve its full-service” defined contribution

business, the firm said in the announcement. The new strategic partnership will “deliver a technology-driven approach to plan administration and fundamentally reshape the corporate retirement plan experience for its sponsors and participants,” it said.

Concluding Thoughts

Mantissa Group defines itself as the support system for CIO’s and their leadership teams, regardless of industry. Our newsletters will continue to showcase companies and CEO’s who lead them, as well as discussing emerging technical and technology matters.

We wish you and your families good health and a successful second half of 2020. As always, we stand ready to serve you and your critical strategic objectives.



Don Desiderato is a former Fortune 100 CIO executive and founder of Mantissa Group LLC, a strategy consulting firm serving the CIO executive and their extended leadership teams. He is a deeply experienced senior technology executive helping leaders with their **technology strategic plans**, as well as simultaneously focusing on **leadership development and culture**.

Mantissa Group provides strategic business and technology consulting services. We support the Chief Information Officer (CIO) executive with a broad range of knowledge across industries. The mission of Mantissa is to serve business and technology executives and leadership teams. Mantissa’s highly integrated services leverage targeted research, strategic consulting, and executive and leadership coaching.

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