CAKE & ARROW

Using Exploratory Research to Advance New Opportunities in Insurance

Case Study: Workplace Benefits in the New Era of Work

Hello!

Emily Smith Cardineau

DIRECTOR OF INSIGHTS

ecardineau@cakeandarrow.com

Kate Muth

HEAD OF STRATEGY

kmuth@cakeandarrow.com

We are an experience design, research, and innovation firm that works with insurance companies to identify new opportunities and to design innovative products and services grounded in real customer needs.

OUR MISSION

To help carriers create authentic and meaningful relationships with their customers and agents.

01

Insurance industry must shift focus from needs of business to needs of customer

02

Great design & innovation starts with real life human problems

03

Shift in customer expectations and behaviors should be a competitive advantage

04

Delivering real value to customers requires new ways of working, thinking, and solving problems

Placing people at the heart of the process

OFFERING

Experience Strategy

Research & Insights

Digital Product Design

PROJECT TYPES

Customer & agent research

UI/UX digital product design

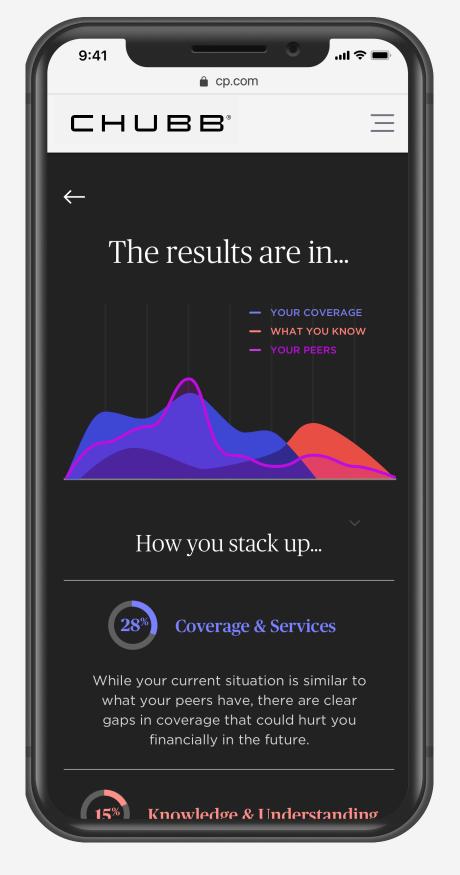Agent & sales platforms

New product innovation

CAKE&ARROW

Today's plan

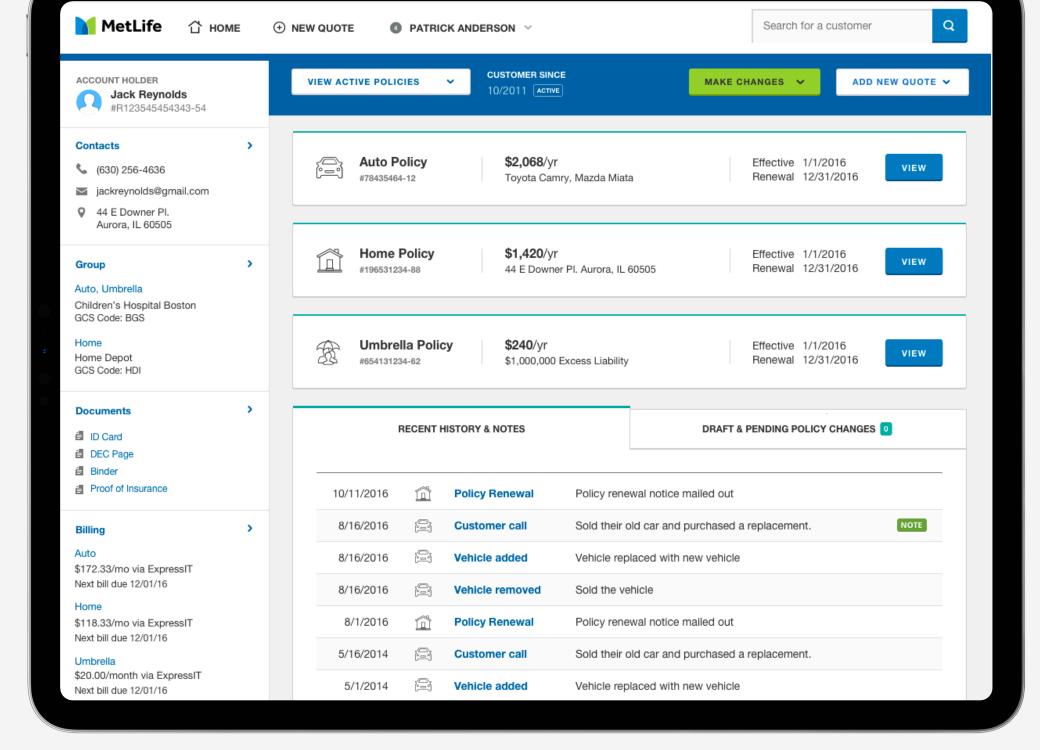Share a little bit about our exploratory research process and show how taking a wider view can help identify opportunity areas and point the way forward to meaningful change and innovation.
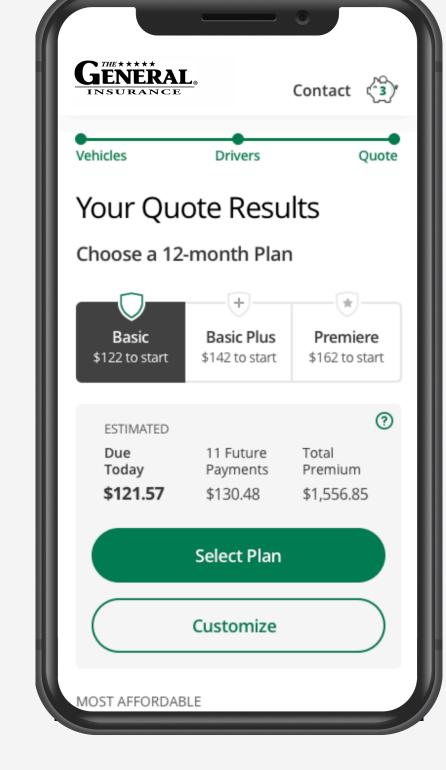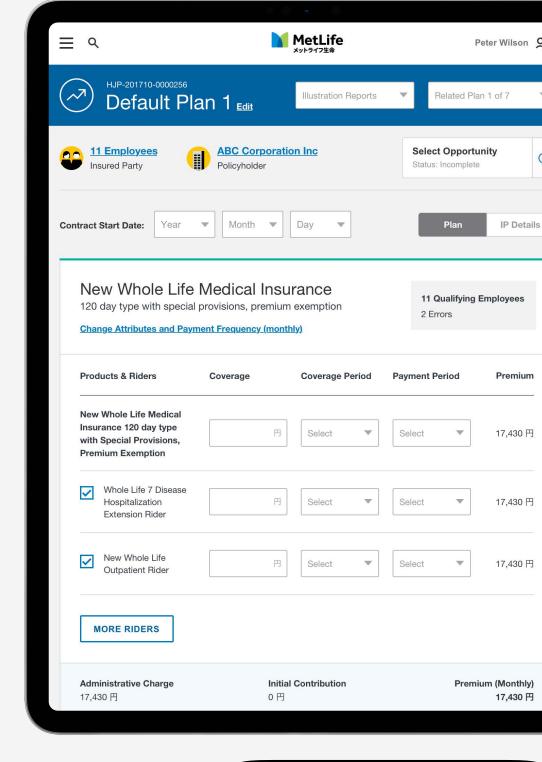
The case for exploratory research
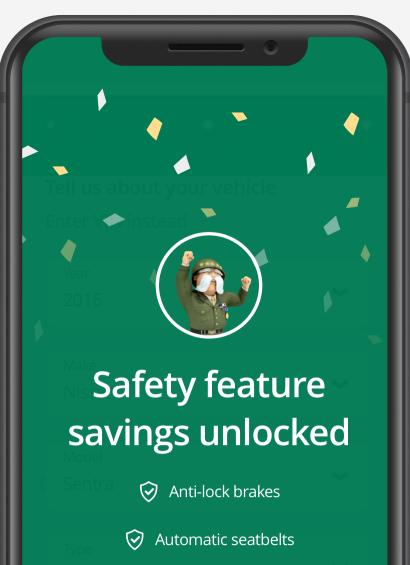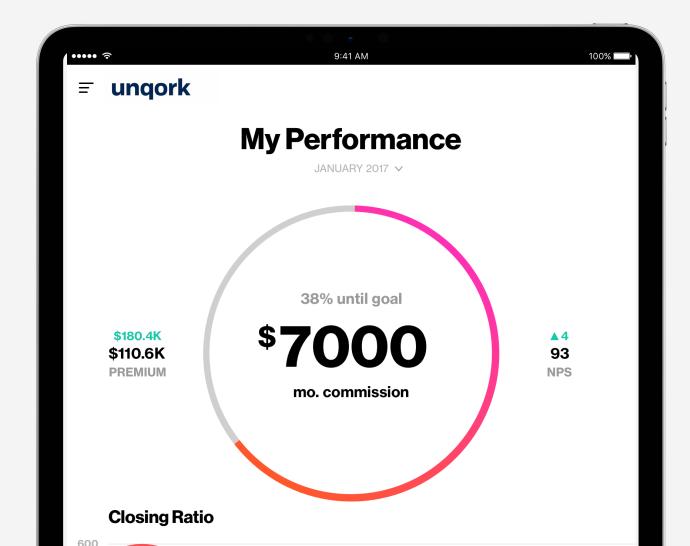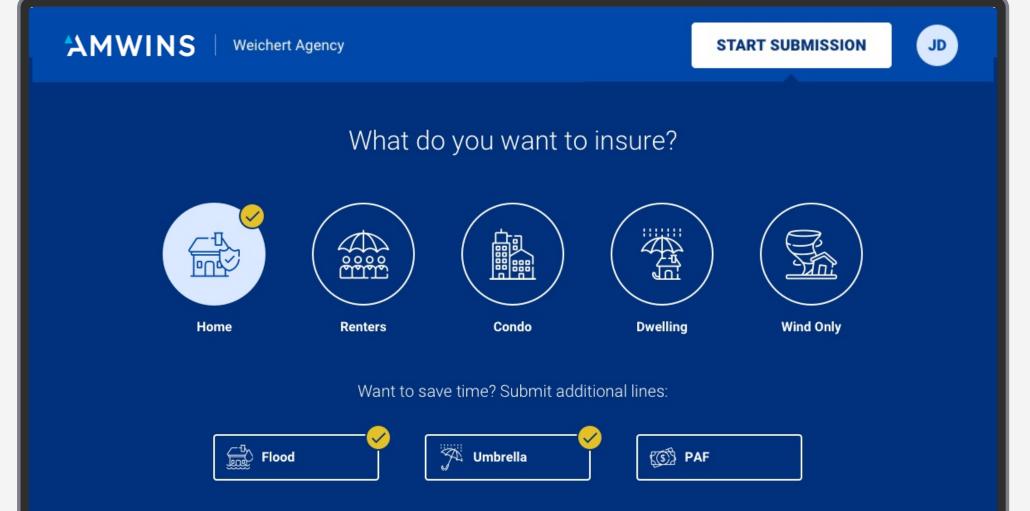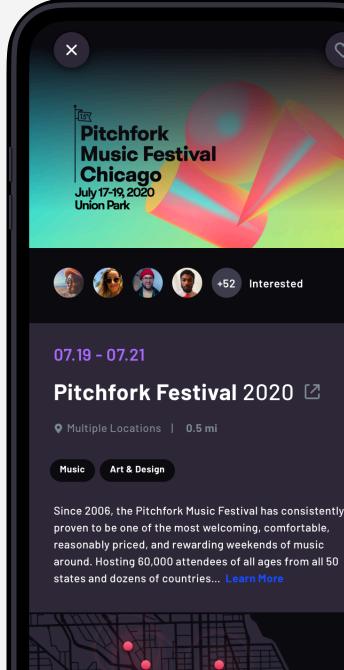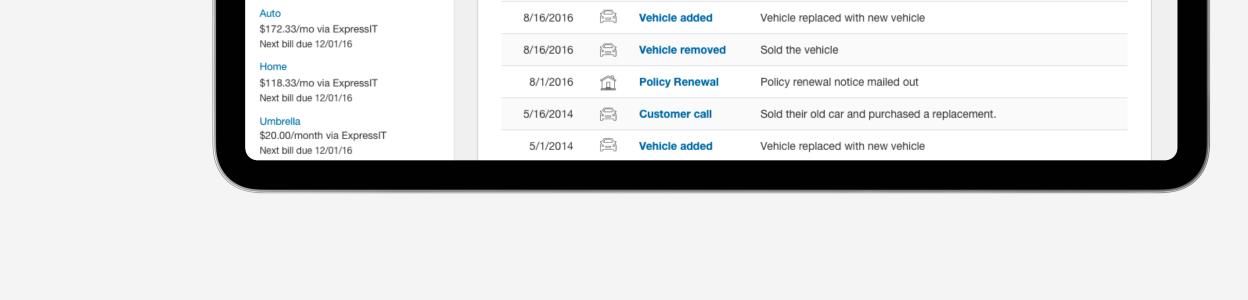
We spend a lot of time in the world of interfaces
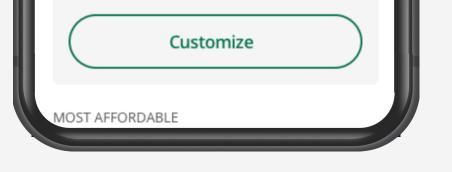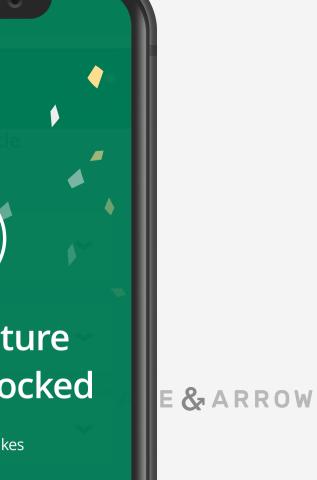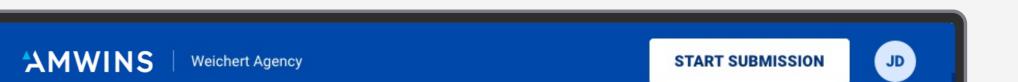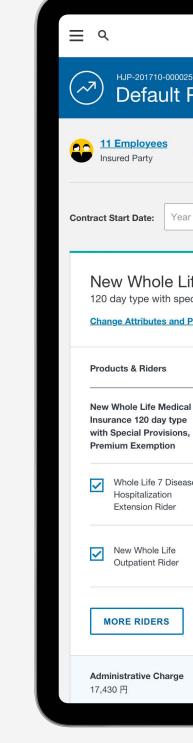
We spend a lot of time in the world of interfaces

...a place we love to call home.
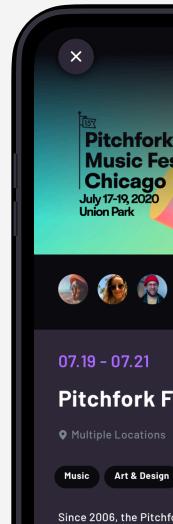
But we also love to explore the open spaces

What if?

Assuming
no constraints...

Let's try...

Imagine you are...

**But we also love to explore the open spaces
...where big ideas and user needs intersect.**

How might we...?
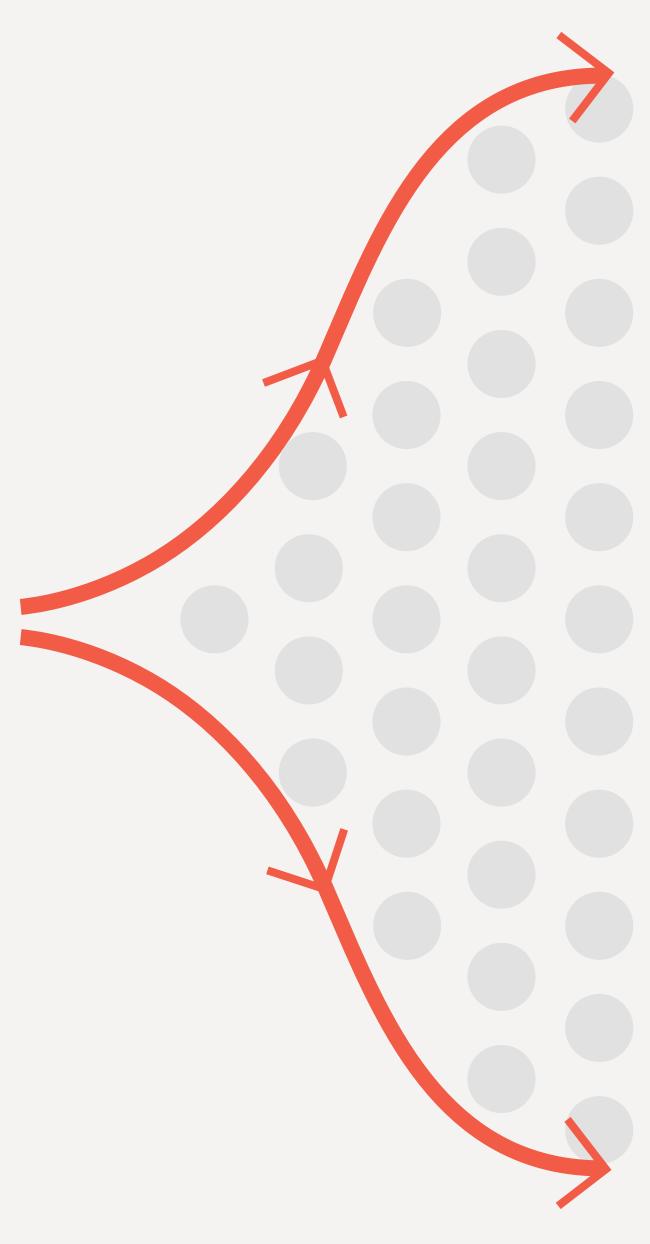
Let's pretend...

If you had
a magic wand...

Exploratory research
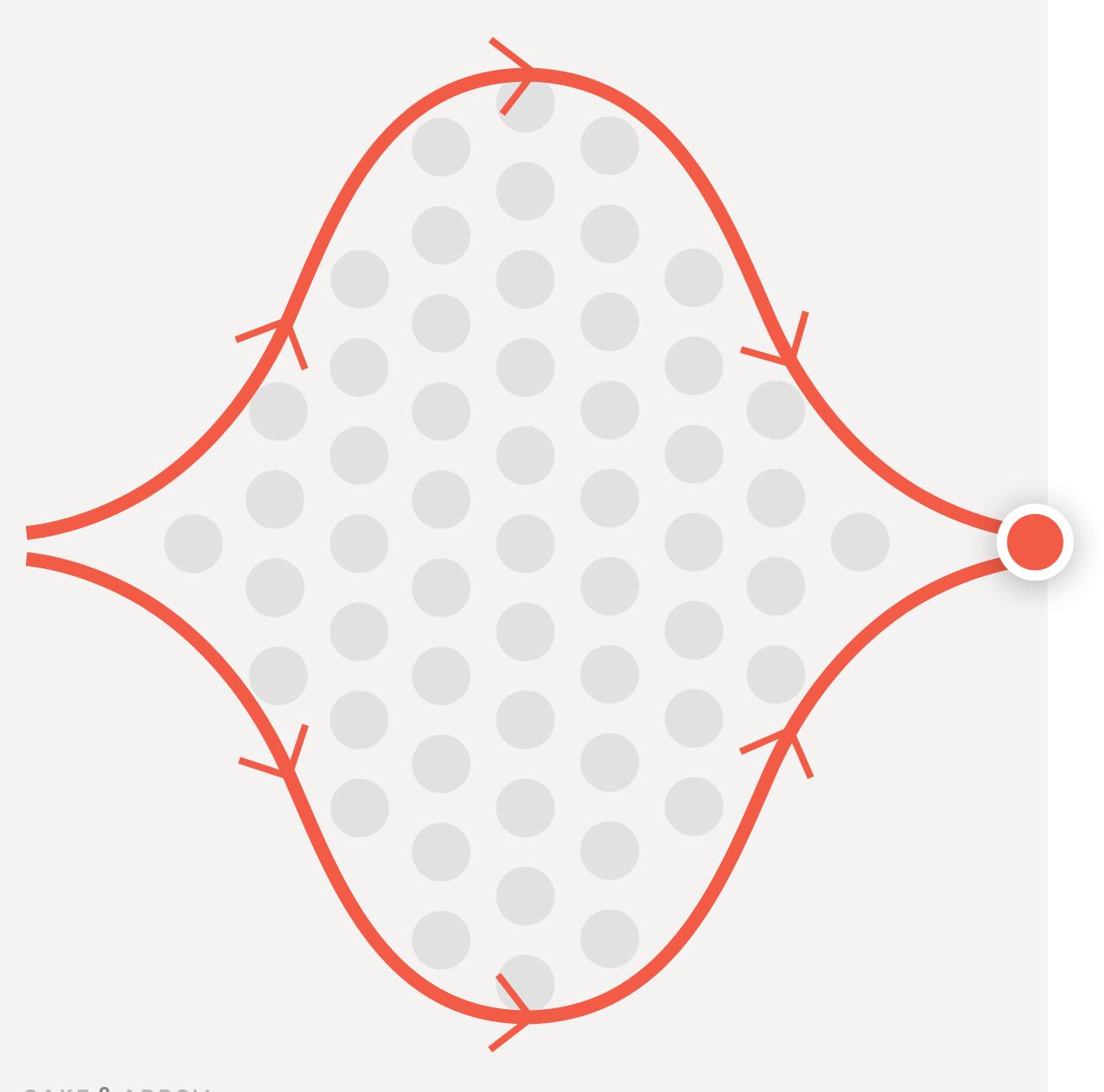
- Begin by meeting people where they're at

- Adopt the "beginner's mindset"

- Ask open-ended questions, without scrounging for answers

- Focus on the human experience (tech and biz requirements can wait)

- Identify unmet needs, resonant themes, unexpressed values, latent dreams,

- Consider "how might we...?"
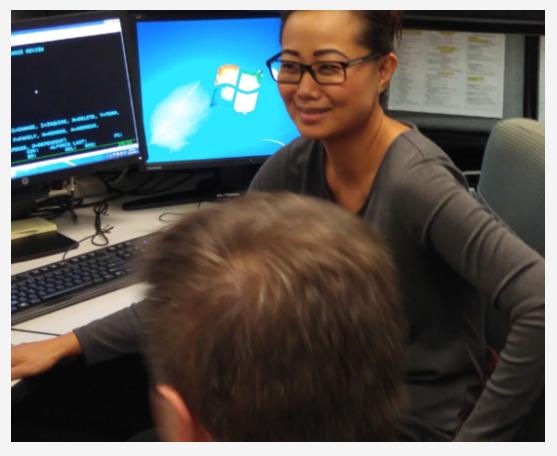
Ask questions that lead to more (and more interesting) questions

Zero in on the "right question" to frame the opportunity

CAKE&ARROW

How we do it

1:1 INTERVIEWS

Speak directly with customers and related users to build empathy, uncover unmet needs, and to reveal areas of friction and untapped opportunities.

CO-CREATION WORKSHOPS

Breakthrough insights come from diverse backgrounds and viewpoints. We run collaborative, cross-functional workshops to internalize research findings and build on each other's idea.

CONCEPT EVALUATION

Sketch key experience concepts to demonstrate and evaluate concepts and hypotheses with customers, to spur further research questions and guide design decisions.
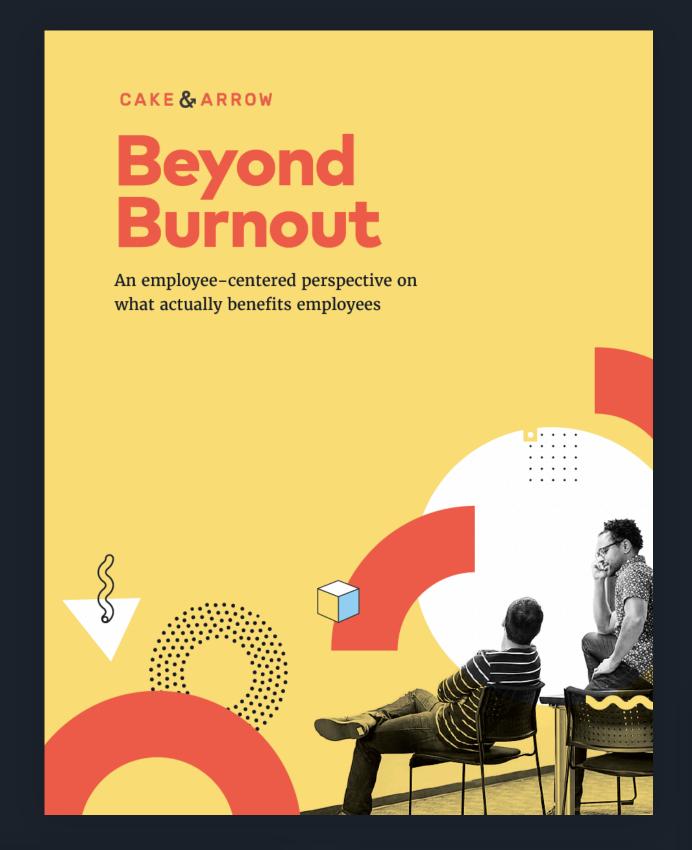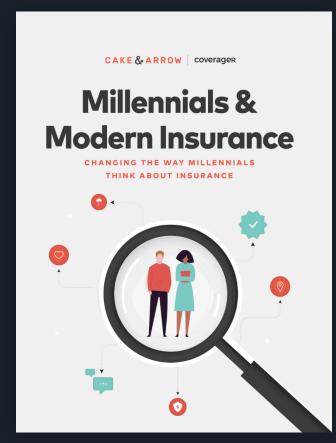
CONTEXTUAL INQUIRY

Observe people doing their jobs and interacting in their natural environments, and collaborate with them to develop a hands-understanding of all we see.

Sometimes we do it to explore our own hunches
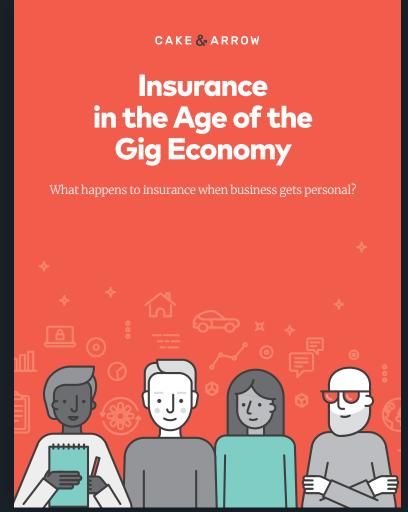
- What do independent insurance agent need to compete?

- What does insurance mean to millennial–types?

- How do families today plan for financial security?

- How are small business owners feeling about Covid–19?

- Where does insurance fit in for gig workers?

- How can workplace benefits evolve for a ⬚⬚⬚rk?

CAKE & ARROW

Beyond Burnout

An employee–centered perspective on what actually benefits employees

CAKE & ARROW

Three Visions for Empowering Independent Agents

Cultivating an ecosystem of trust for a new generation of small business owners

CAKE & ARROW | coverager

Millennials & Modern Insurance

CHANGING THE WAY MILLENNIALS THINK ABOUT INSURANCE

CAKE & ARROW

Covid-19 & the Small Business Owner

Inside the Experience of Small Business Owners in the Time of Covid

CAKE & ARROW

Insurance in the Age of the Gig Economy

What happens to insurance when business gets personal?

Sometimes our clients are along for the ride, asking the big questions about the humans a the heart of their businesses
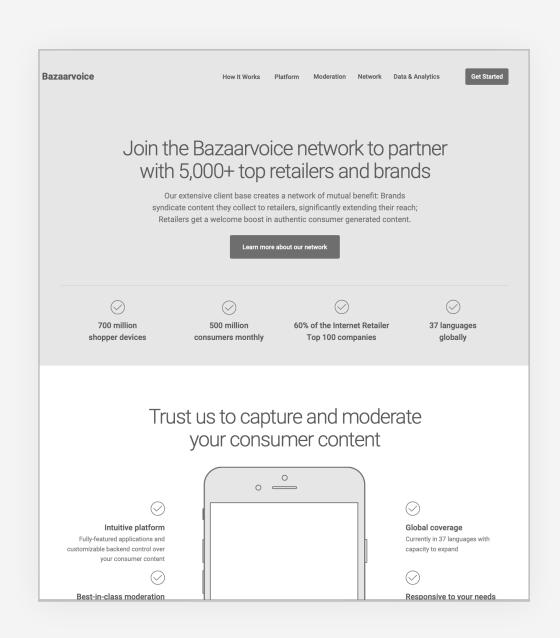
"Starter concepts" are a critical tool of exploratory research

LOWER FIDELITY ⟵————————⟶ **HIGHER FIDELITY**

Experience scenarios
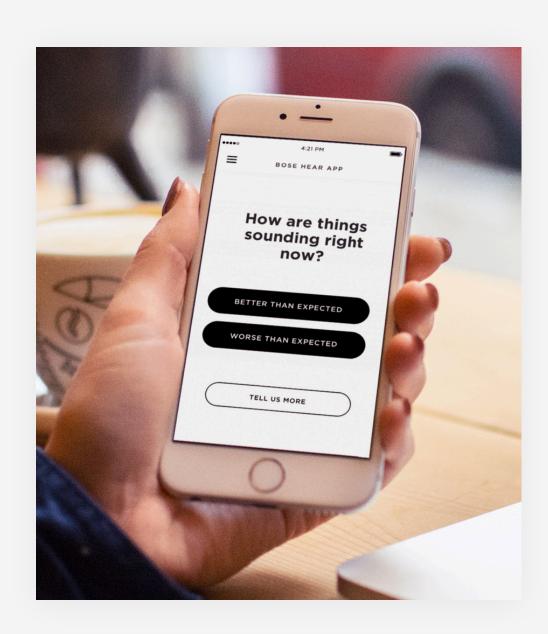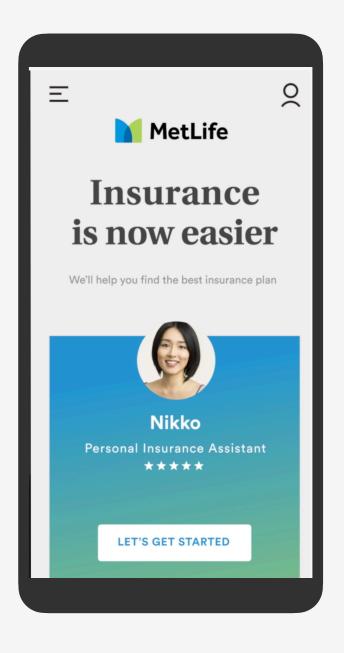
Wireframes and content hierarchies

Key moment illustrations

Clickable prototype

CAKE & ARROW
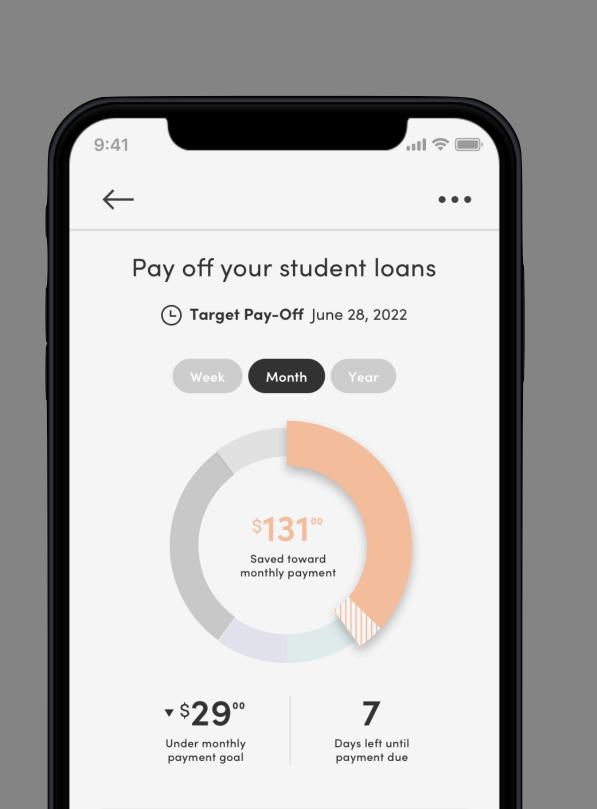
"Starter concepts" help us...

- Make high-level hypotheses more concrete

- Identify new opportunities

- Compare and evaluate concepts
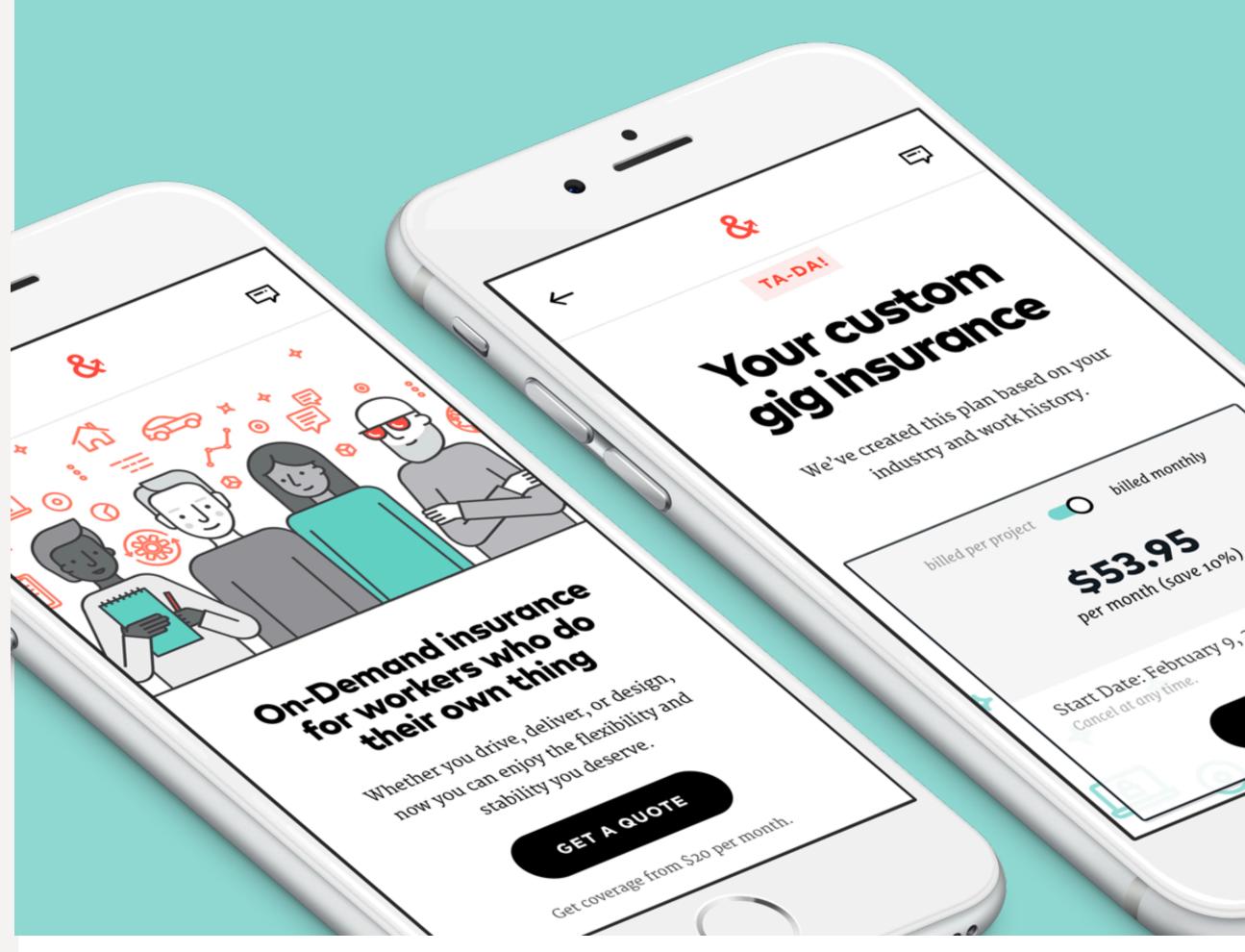
- Prompt conversation and generate ideas

- Shift thinking and mindsets

- Talk about problems in a new way

CAKE & ARROW

Insurance for the gig economy
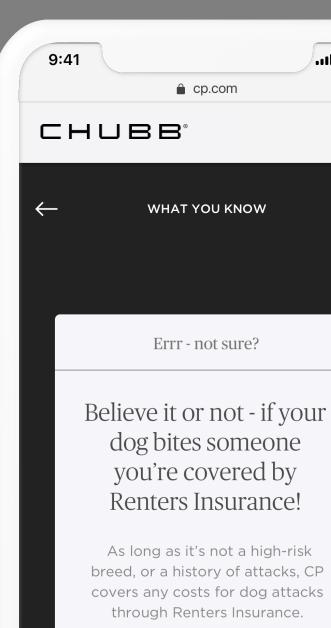
Insurance for millennials

Insurance for new moms

Part 2

Workplace Benefits for a New Era of Work

Research findings

Tracking trends through research

DEC 2017
Blending of personal and professional needs

MAR 2018
Digital fatigue and burnout in Millennials

SEP 2019
Challenges related to working and parenting

MAR 2020
Pandemic shutdown

OCT 2021
Small Business Owners feel the pressure

JAN 2021
Overlap of gig worker and employee experience

MAY 2021
Anthony Klotz predicts the Great Resignation

NOV 2021
Survey of employees

JAN 2022
NEW FUTURE OF WORK RESEARCH

CAKE & ARROW

What we already knew about the future of work

OVERLAP OF PERSONAL AND PROFESSIONAL NEEDS …

"I use my computer for everything. It's my social life, my livelihood, my entertainment. I'd be completely screwed if something happened to it."

Emma, 28

Freelance Visual Designer, Philadelphia

MILLENNIALS ARE SUFFERING FROM DIGITAL FATIGUE AND BURNOUT

"It's hard for me to plan my life beyond even a year from now. It feels like all of my time and attention is spent trying to just get through the day."

Jonathon, 30
Tech Worker, New York

FAMILIES ARE STRUGGLING TO BALANCE THE PRESSURES OF WORK AND CHILDREN

"Honestly, the only I reason I'm working right now is so my family has insurance. But every month when the bills come in I question whether it's even worth it given the amount of money I'm paying in childcare."

Allie, 34
Nurse, San Diego

SMALL BUSINESS OWNERS STRUGGLING TO RETAIN EMPLOYEES

"I can't pay my employees enough to make it worth it to them. I mean, I get it, why would they come into the office and put their lives at risk for $20 an hour? It just puts a lot more pressure on me. It's not what I thought I was signing up for when I bought this practice."

Angelique, 40

Dentist and Practice Owner, Brooklyn

OVERLAP OF GIG WORKER AND EMPLOYEE EXPERIENCE

"I try to keep a good amount of money in the bank just in case. I have a bunch of side gigs on top of my full-time job because, you know, you just never know what will happen."

Crystal, 38

Admissions Counselor, Kansas City

PEOPLE'S RELATIONSHIP TO WORK IS CHANGING

"Before the pandemic my job felt like the only thing I had going in my life. Working from home has given me a chance to be with my kids more and to like, actually have hobbies again. There's no way I'm going back to how things were before."

Max, 36
Business Owner, Brooklyn

A lot of people have quit their jobs

4.5 million

of Americans have left their jobs in November alone

CAKE&ARROW

A lot of people are burned out at their jobs

76%

Of employees are experiencing
work–related burnout

CAKE & ARROW

A lot of people are thinking about quitting their jobs

73%

say they're considering
quitting their jobs

Source: Joblist, October 2021

CAKE&ARROW

People who like their jobs are more likely to stay

82%

Of those who report high enjoyment at their jobs say they are unlikely to leave their jobs in the next year

Source: Cake & Arrow, November 2021

New hypothesis, new questions
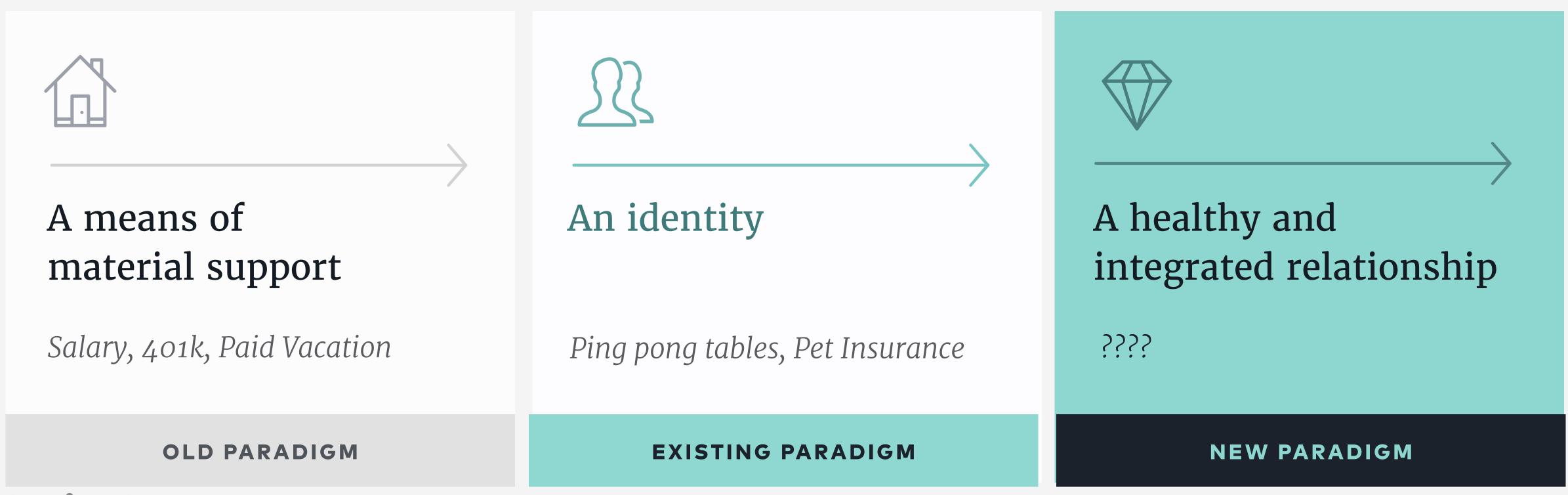
Our hypothesis going into this research

The way that people perceive the role of a job in their life is evolving, and we are now entering a new era of work.

Our hypothesis going into this research

The way that people perceive the role of a job in their life is evolving,
and we are now entering a new era of work.

IN RECENT HISTORY, JOBS HAVE BEEN SEEN AS . . .

A means of material support

Salary, 401k, Paid Vacation

OLD PARADIGM

An identity

Ping pong tables, Pet Insurance

EXISTING PARADIGM

A healthy and integrated relationship

????

NEW PARADIGM

CAKE & ARROW

What actually benefits employees in the new era of work?

Survey *November 2021*
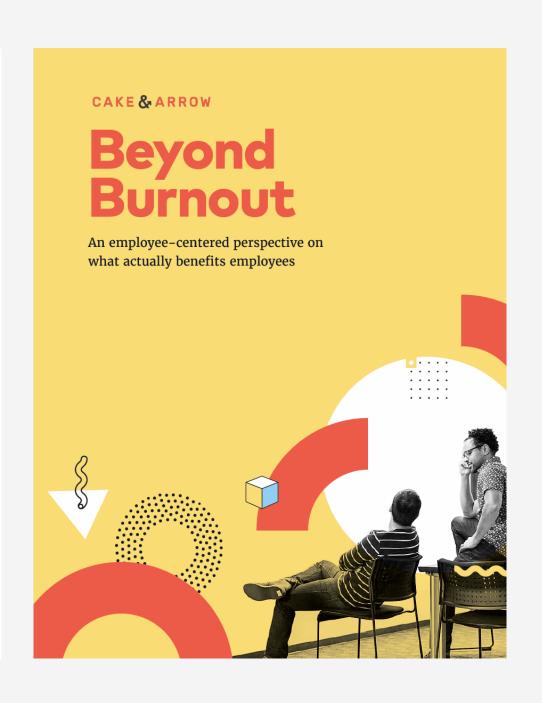
50 question survey of full and part time employees living in the US asking them about their experience at work

Our Focus

281 Respondents

Mostly Millennials and Gen X

"Laptop professionals"

CAKE & ARROW

Beyond Burnout

An employee-centered perspective on what actually benefits employees

CAKE & ARROW

What we wanted to learn

What do employees want out of work?

What role do people want work to play in their lives?

What makes a job enjoyable?

What does a healthy relationship to work look like?

How can workplace benefits evolve for the new era of work?

CAKE & ARROW

Employees Told Us ...
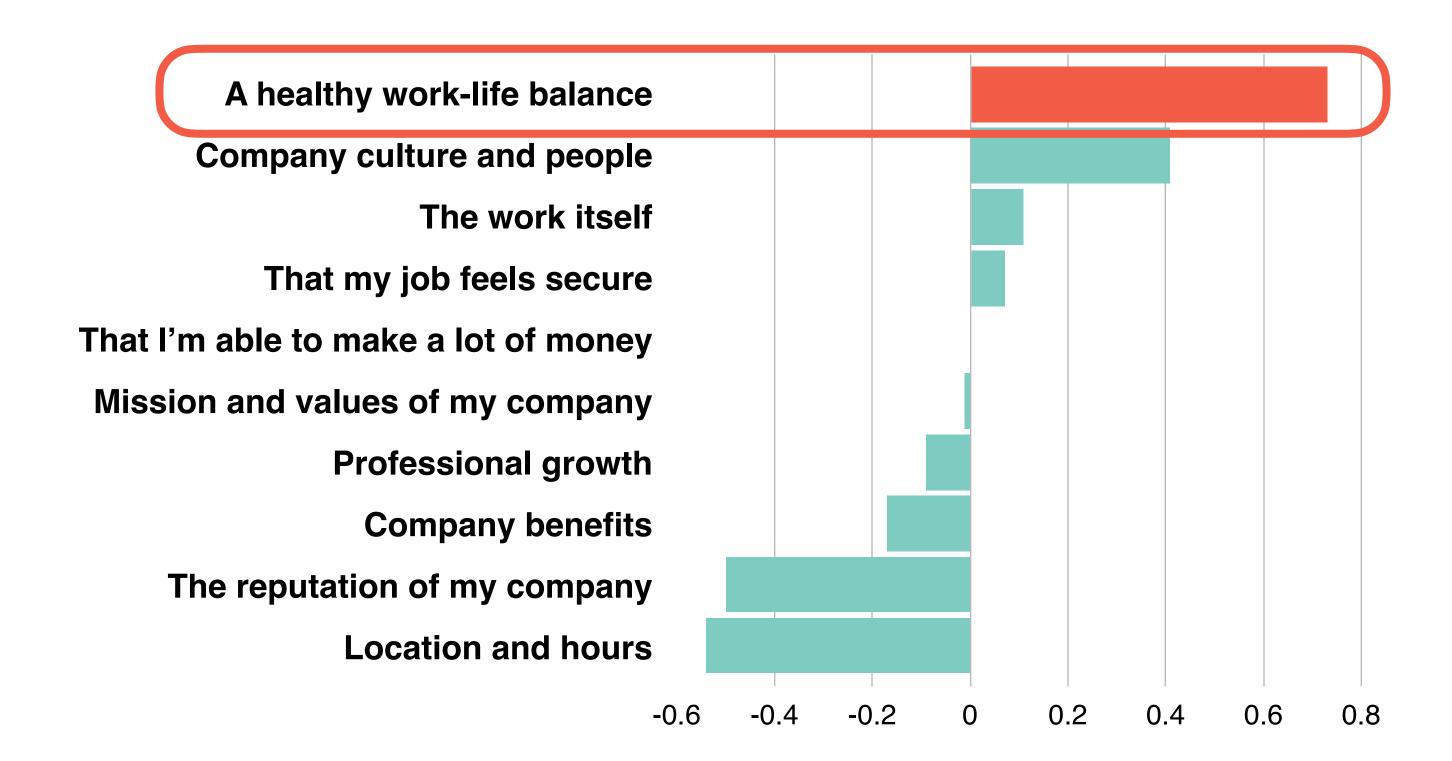
"I'm too consumed by work to even take my vacation and spend time with my family"

- Communications Director at a non-profit

They want to enjoy their jobs ...

Assuming adequate compensation, which are most and least important to you when it comes to a job?

Chart of job importance factors (horizontal bar chart, x-axis from -0.6 to 0.8):
- A healthy work-life balance (highlighted in red/orange): ~0.75
- Company culture and people: ~0.4
- The work itself: ~0.1
- That my job feels secure: ~0.07
- That I'm able to make a lot of money: ~0
- Mission and values of my company: ~-0.02
- Professional growth: ~-0.1
- Company benefits: ~-0.15
- The reputation of my company: ~-0.5
- Location and hours: ~-0.52

CAKE & ARROW
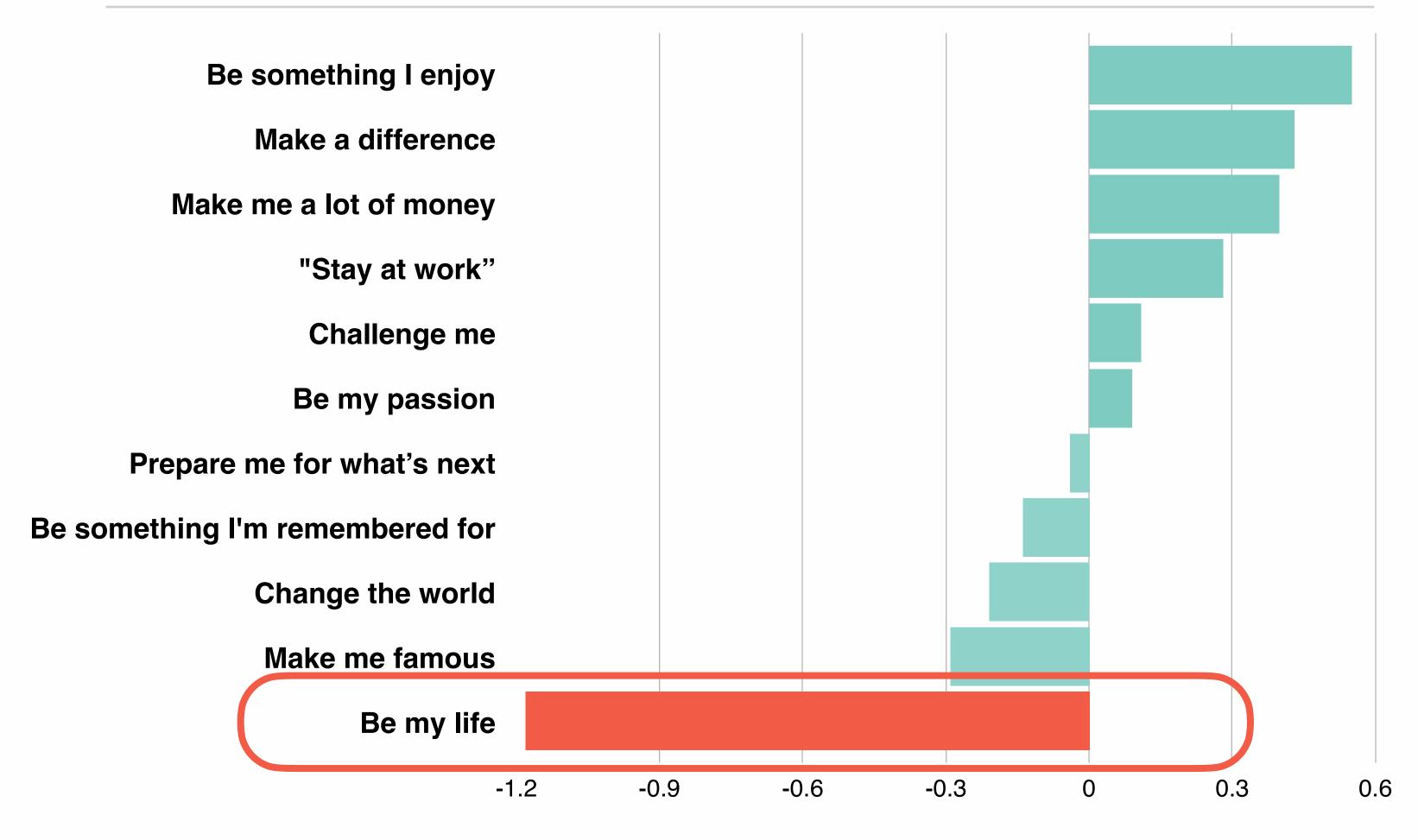
But they don't want work to be their life ...

? With which statement do you most and least agree?

I WANT MY WORK TO...

- Be something I enjoy
- Make a difference
- Make me a lot of money
- "Stay at work"
- Challenge me
- Be my passion
- Prepare me for what's next
- Be something I'm remembered for
- Change the world
- Make me famous
- Be my life

-1.2   -0.9   -0.6   -0.3   0   0.3   0.6

C&A Employee Benefits Survey, November 2021

"I wish I could choose the days I wanted to be in the office instead of abiding by a set schedule"

— **Graphic Designer at a digital marketing agency**

They want the option to work remotely ...

52%

Consider a remote-friendly workplace a must-have when accepting a new job–the same percentage as health insurance and at least 2 weeks of paid vacation

But want to decide when they do it

Some love it.

"I've been WFH since the initial shut down. It's forced me to really step up and work more independently. I've excelled in in ways that I thought would take years to achieve!"

Some hate it.

"I'm now permanently work from home. I hate it. It's exhausting."

Some have mixed feelings.

"I'm now working from home. My feelings are mixed. I miss the social aspect of working in an office, but the convenience is a plus."

But want to decide when they do it

But most want the decision to be theirs.

CAKE & ARROW

"I wish I had more autonomy in my job and there was more support available to me and others in my role"

— Occupational therapist at a large hospital

They want autonomy ...

? **What is one thing your employer could do to make your job better?**

Give me **autonomy**	**&**	Give me **support**

"At the best job I ever had there was a high level of flexibility, My boss trusted me with a high level of autonomy, and I enjoyed the mission and people I got to work with. I wish my current job was more like that."

"Let me do my job and stop micro-managing."

"It's the lack of trust they have for us as professionals that gets me the most — and the need to enter this century but not the willingness to do what it takes."

"I want more input and time with my managers. Sometimes I feel like I'm flying blind and don't have enough direction."

"I need more support. I want to learn but no one will teach me."

"There needs to be more infrastructure/support. We are too small and there's too much pressure on individual employees."

But don't want to feel alone

**AMONG THOSE WHO REPORTING
HIGH ENJOYMENT OF THEIR JOBS**

52%

described their job as
"collaborative,"

(second only to "interesting"
and "challenging")

47%

described the culture
as "supportive"

(second only to
"professional")

"My last job was the best job I ever had. Everything was great – the people, the culture, the benefits, the work, but one thing was missing – the money"

— **Business Development Manager at an architecture firm**

Money matters ...

OF THOSE MAKING LESS THAN $40K A YEAR

30%

Say they like their jobs but they don't pay them enough for what they do

THERE IS A CLEAR CORRELATION BETWEEN FINANCIAL COMFORT AND JOB ENJOYMENT

Of those reporting high enjoyment at their jobs only **4.8%** *say they are very worried about money and barely getting by*
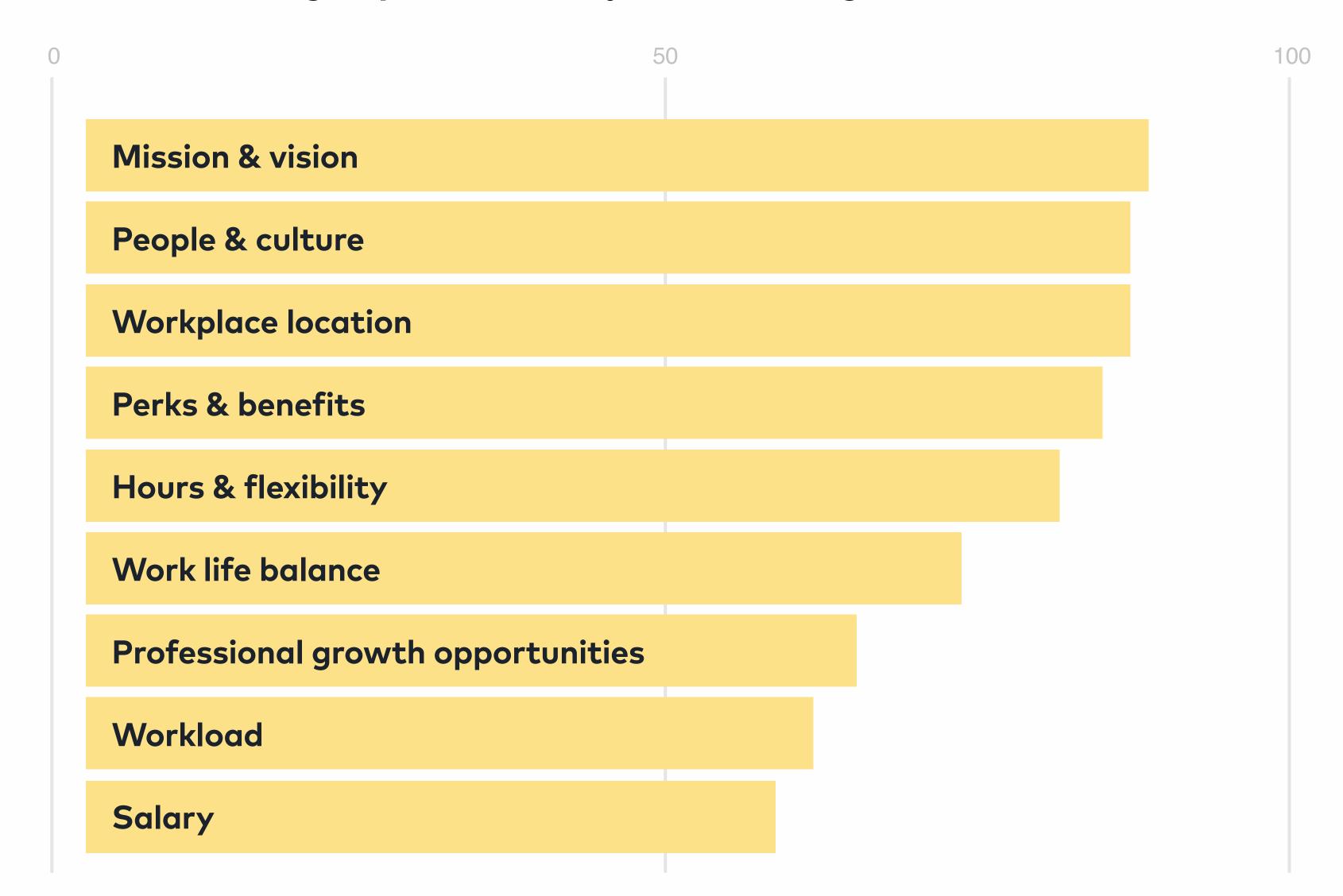
Of those reporting high levels of financial comfort **57%** *reported high enjoyment of their jobs*

CAKE & ARROW

But it's not everything ...

Percentage of those reporting high job enjoyment who gave the following aspects of the jobs a letter grade of A or B

	0	50	100

- Mission & vision
- People & culture
- Workplace location
- Perks & benefits
- Hours & flexibility
- Work life balance
- Professional growth opportunities
- Workload
- Salary

CAKE & ARROW
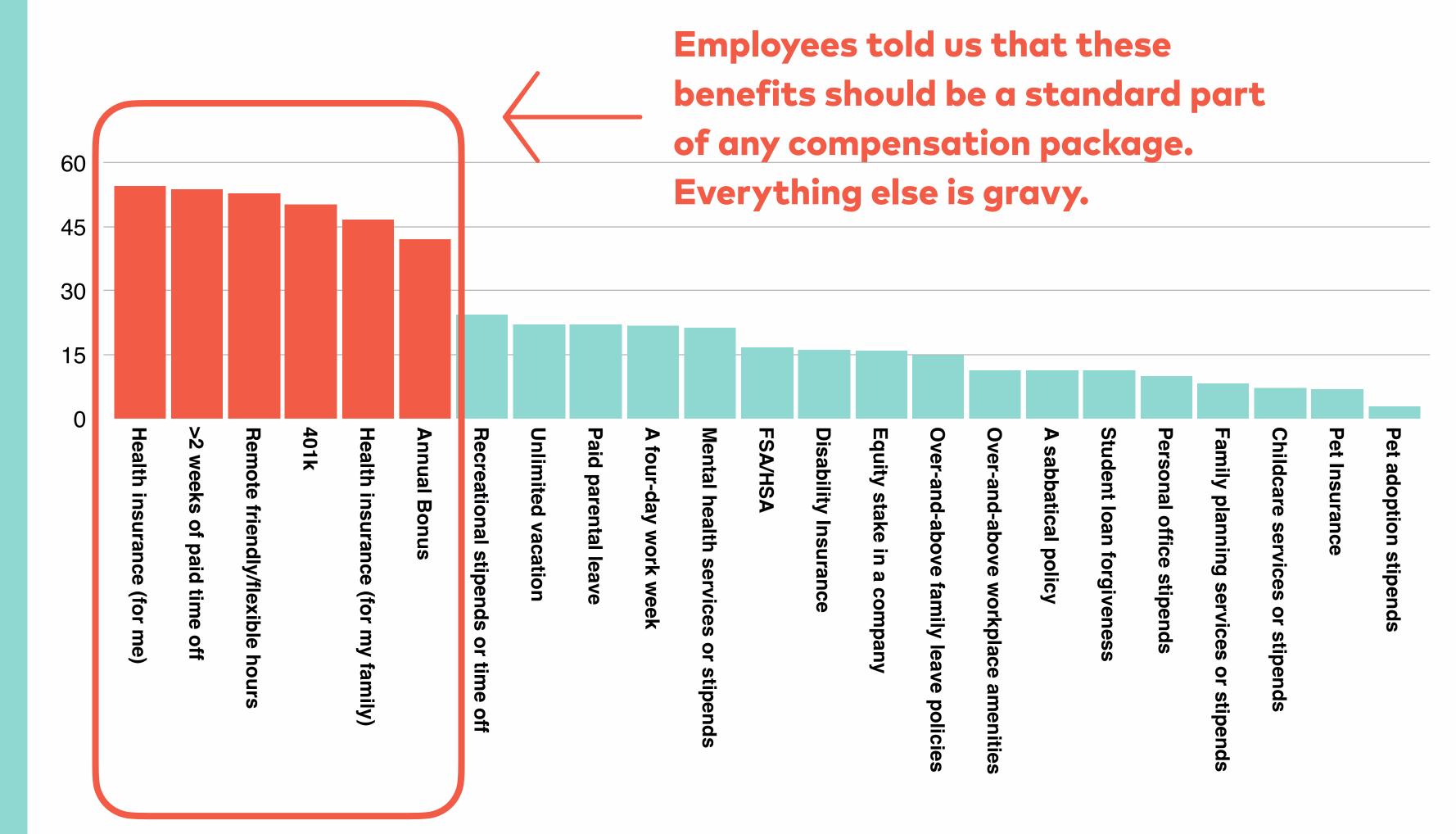
"The number one thing my company could do to make my job better would be to genuinely start thinking more about their employees well-being."

— Art Director at a consumer electronics company

EMPLOYEES TOLD US ...

? Assuming adequate compensation, what are the absolute must-haves when accepting a job?

Employees told us that these benefits should be a standard part of any compensation package. Everything else is gravy.

Benefits are table stakes ...

Chart data (approximate values):

Benefit	Value
Health insurance (for me)	54
>2 weeks of paid time off	53
Remote friendly/flexible hours	52
401k	50
Health insurance (for my family)	47
Annual Bonus	42
Recreational stipends or time off	24
Unlimited vacation	22
Paid parental leave	22
A four-day work week	22
Mental health services or stipends	21
FSA/HSA	17
Disability Insurance	16
Equity stake in a company	16
Over-and-above family leave policies	15
Over-and-above workplace amenities	11
A sabbatical policy	11
Student loan forgiveness	11
Personal office stipends	10
Family planning services or stipends	8
Childcare services or stipends	7
Pet Insurance	7
Pet adoption stipends	3

CAKE & ARROW

C&A Employee Benefits Survey, November 2021

They are not differentiating

Assuming adequate compensation, which are most and least important to you when it comes to a job?

Category	Value
A healthy work-life balance	~0.73
Company culture and people	~0.41
The work itself	~0.11
That my job feels secure	~0.07
That I'm able to make a lot of money	~-0.01
Mission and values of my company	(near 0)
Professional growth	~-0.09
Company benefits	~-0.17
The reputation of my company	~-0.50
Location and hours	~-0.53

Axis: -0.6   -0.4   -0.2   0   0.2   0.4   0.6   0.8

CAKE & ARROW

C&A Employee Benefits Survey, November 2021

"I'd like to have the kind of job where, if I finished my work early, I could just go home spend time with my kids."

— Office Administrator at a health insurance company

They don't want more perks

74%
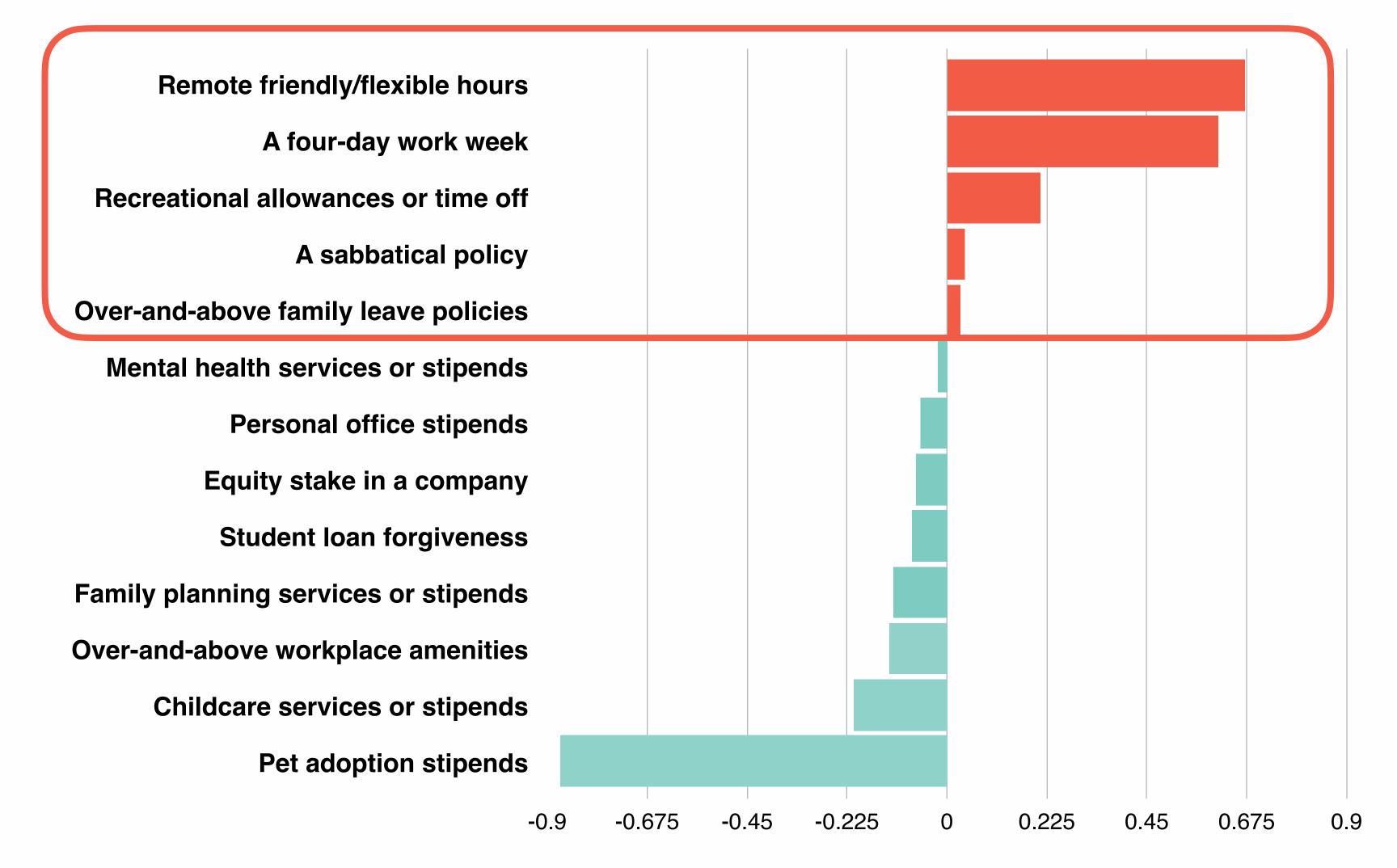
AGREE WITH THE STATEMENT:
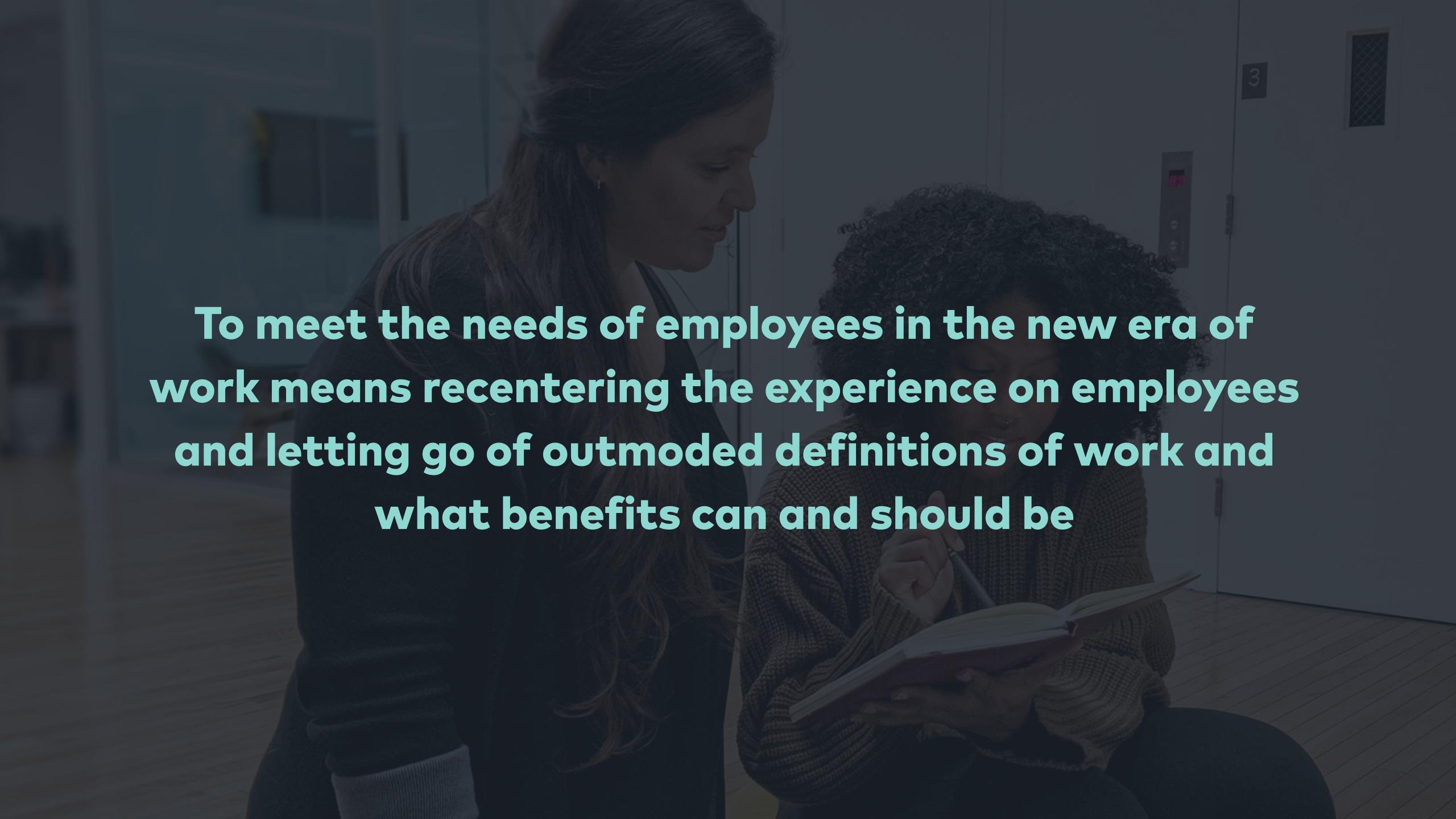
"The way we work is unsustainable and it's hurting our mental health"

CAKE & ARROW

C&A Employee Benefits Survey, November 2021
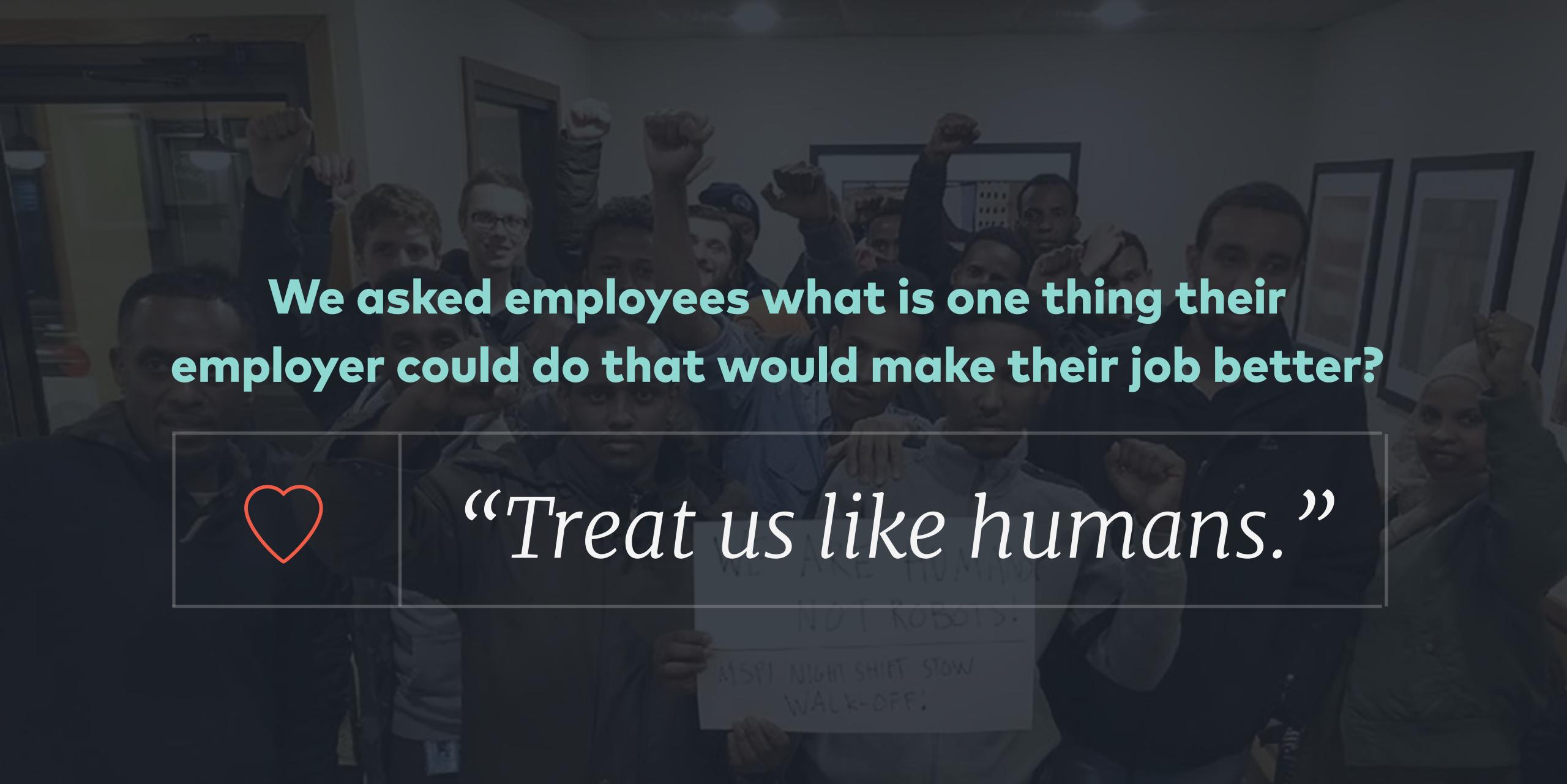
They want to change the way we work

Which of the following would interest you the most at a job? Which would interest you the least?

Category	Value
Remote friendly/flexible hours	~0.675
A four-day work week	~0.63
Recreational allowances or time off	~0.225
A sabbatical policy	~0.03
Over-and-above family leave policies	~0.02
Mental health services or stipends	~-0.02
Personal office stipends	~-0.04
Equity stake in a company	~-0.05
Student loan forgiveness	~-0.06
Family planning services or stipends	~-0.09
Over-and-above workplace amenities	~-0.11
Childcare services or stipends	~-0.2
Pet adoption stipends	~-0.8

-0.9   -0.675   -0.45   -0.225   0   0.225   0.45   0.675   0.9

To meet the needs of employees in the new era of work means recentering the experience on employees and letting go of outmoded definitions of work and what benefits can and should be

We asked employees what is one thing their employer could do that would make their job better?

♡ *"Treat us like humans."*

The Employee Hierarchy of Needs for a Human-centered Workplace

MEANING & PURPOSE

Mission &
Values, Business
and Hiring Practices,
Impact on outside world

CULTURE

People, Trust, Respect,
Autonomy, Support, Collaboration

WORKING CONDITIONS

Policies, Location, Hours, Equipment,
Software, Resourcing, Workload

COMPENSATION

Salary, Benefits, Perks

MEANING & PURPOSE

Mission &
Values, Business
and Hiring Practices,
Impact on outside world

CULTURE

People, Trust, Respect,
Autonomy, Support, Collaboration

WORKING CONDITIONS

Policies, Location, Hours, Equipment,
Software, Resourcing, Workload

COMPENSATION

Salary, Benefits, Perks

MEANING & PURPOSE

Mission &
Values, Business
and Hiring Practices,
Impact on outside world

CULTURE

People, Trust, Respect,
Autonomy, Support, Collaboration

WORKING CONDITIONS

Policies, Location, Hours, Equipment,
Software, Resourcing, Workload

COMPENSATION

Salary, Benefits, Perks

MEANING & PURPOSE

Mission &
Values, Business
and Hiring Practices,
Impact on outside world

CULTURE

People, Trust, Respect,
Autonomy, Support, Collaboration

WORKING CONDITIONS

Policies, Location, Hours, Equipment,
Software, Resourcing, Workload

COMPENSATION

Salary, Benefits, Perks

MEANING & PURPOSE
Mission &
Values, Business
and Hiring Practices,
Impact on outside world

CULTURE
People, Trust, Respect,
Autonomy, Support, Collaboration

WORKING CONDITIONS
Policies, Location, Hours, Equipment,
Software, Resourcing, Workload

COMPENSATION
Salary, Benefits, Perks

Group benefits
operate here

MEANING & PURPOSE

Mission &
Values, Business
and Hiring Practices,
Impact on outside world

CULTURE

People, Trust, Respect,
Autonomy, Support, Collaboration

Biggest
opportunity area
is here

WORKING CONDITIONS

Policies, Location, Hours, Equipment,
Software, Resourcing, Workload

COMPENSATION

Salary, Benefits, Perks

Mission &
Values, Business
and Hiring Practices,
Impact on outside world

CULTURE

People, Trust, Respect,
Autonomy, Support, Collaboration

Biggest
opportunity area
for insurance
here

So how does the insurance industry move beyond compensation to meet the higher order needs of employees?

WORKING CONDITIONS

Policies, Location, Hours, Equipment,
Software, Reasonable Workload

COMPENSATION

Salary, Benefits, Perks

Going Beyond "Benefits"

Opportunities to respond to employee needs
at every tier of the hierarchy

Integrate benefits into existing infrastructure to support employees in and outside of the the workplace

What tools, systems, and policies are already in place that can be used to serve up benefits?

Use available data and information to anticipate and respond to employee needs in real time

What data and information is already being collected that can provide insight into employee needs, behaviors, and vulnerabilities?
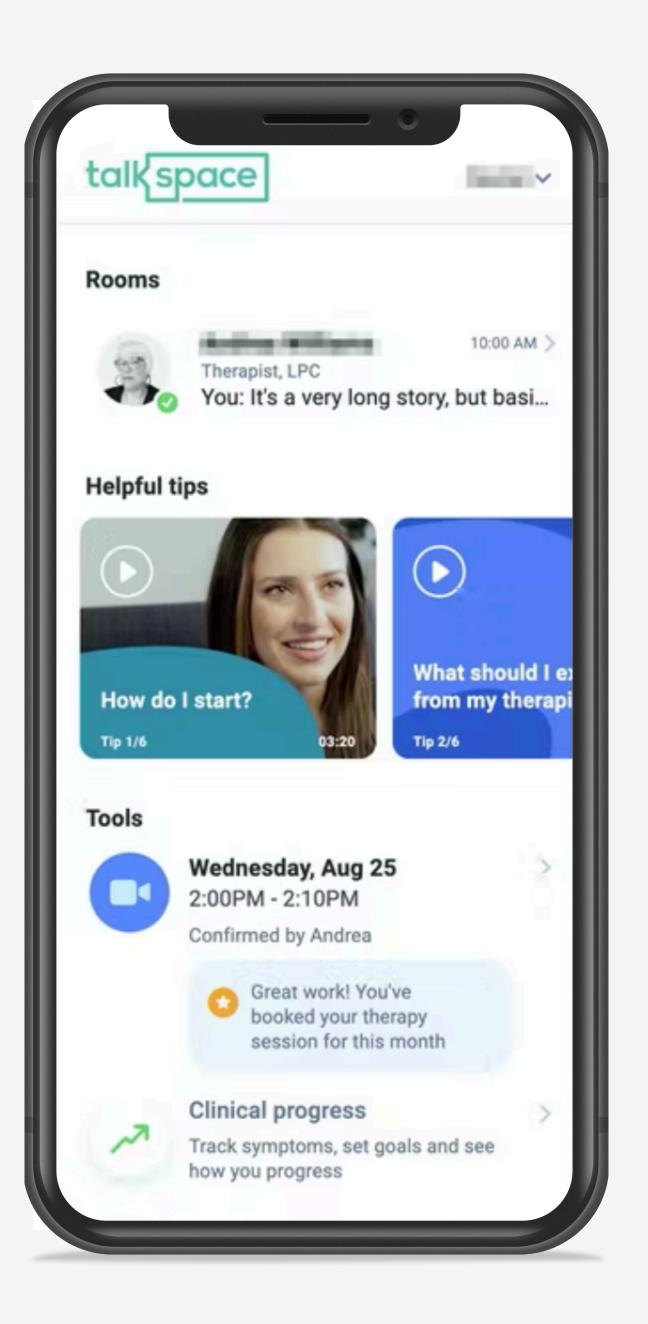
Alleviate burnout and help employees reinforce boundaries between work and life

What kinds of existing policies can be institutionalized rather individualized?

Meet the needs of the group as a whole, not just the needs of individuals

What individual benefits be adapted to serve the need of the community?

How might we...

Use data and information already at our disposal to anticipate and respond to employee needs in real time?

Alleviate burnout and help employees have a healthier relationship to work?

Integrate benefits into existing infrastructure to support employees in and outside of the the workplace?

Go beyond the needs of individual employees to meet the needs of communities?

How might we...

embed benefits selection into the fabric of everyday work life?

Integrate benefits into existing infrastructure to support employees in and outside of the the workplace?

bolster existing infrastructure to give employees more resources to be successful at their jobs?

How might we...

respond to employee needs in real time?

Use data and information already at our disposal to anticipate and respond to employee needs in real time?

identify critical moments in the employee experience?

serve up benefits at just the right time?

How might we...

respond to employee needs in real time?

Use data and information already at our disposal to anticipate and respond to employee needs in real time?

identify critical moments in the employee experience?

serve up benefits at just the right time?

How might we...
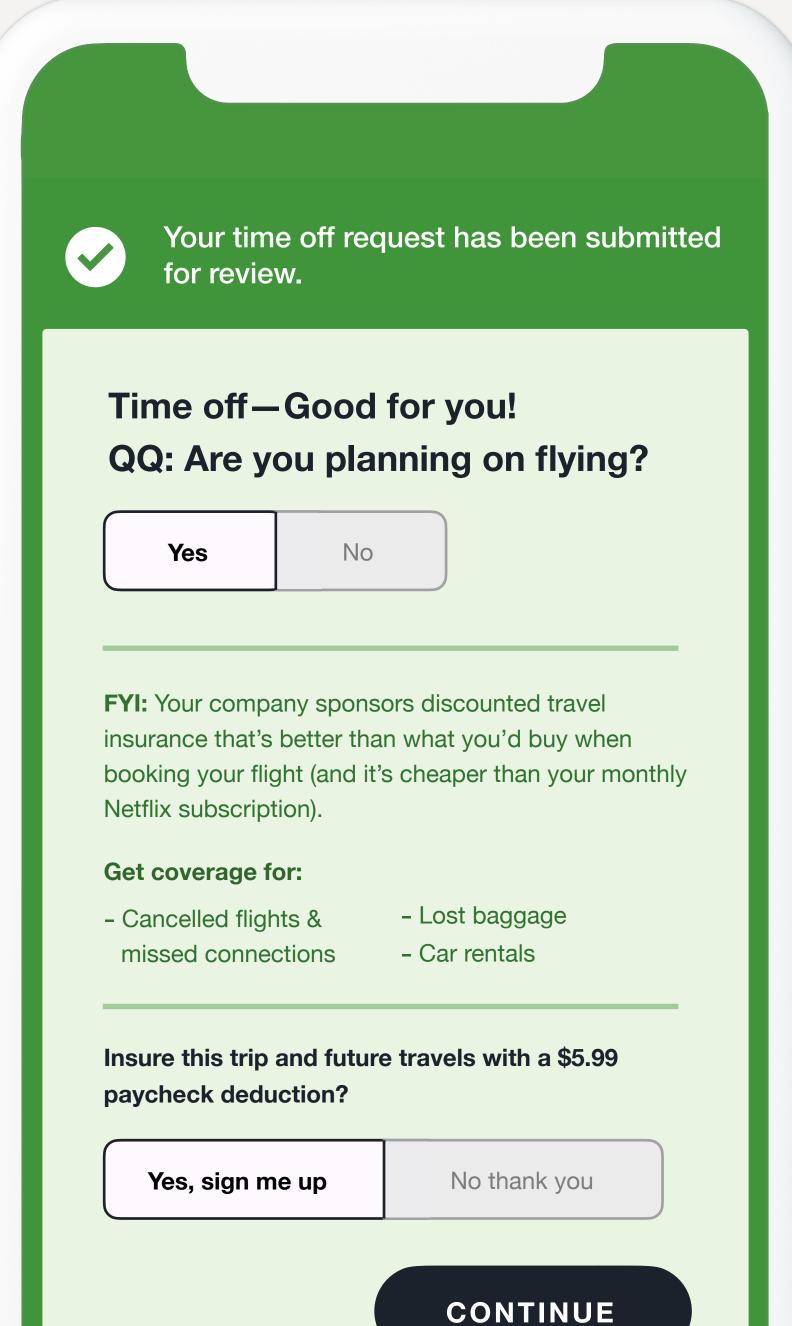
serve up benefits at just the right time?

CONCEPT

In-context Travel Insurance

Imagine you're requesting time off for a vacation you are planning. After submitting your request you see a message that lets you know about discounted travel insurance, available through your employer.

✓ Your time off request has been submitted for review.

Time off—Good for you!
QQ: Are you planning on flying?

| Yes | No |

FYI: Your company sponsors discounted travel insurance that's better than what you'd buy when booking your flight (and it's cheaper than your monthly Netflix subscription).

Get coverage for:

- Cancelled flights & missed connections
- Lost baggage
- Car rentals

Insure this trip and future travels with a $5.99 paycheck deduction?

| Yes, sign me up | No thank you |

CONTINUE

Seeing benefits offered in relevant contexts makes employees feel like employers are truly committed to the values the benefits represent.

"I love this. Even if I don't want to buy it right now, I just like being reminded of the benefits available to me, in a context that actually makes sense. It makes me feel like my employer actually wants me to use my benefits."

Key Considerations

- How do you serve up benefits in context without disrupting the flow?

- How do you make the benefits offering actionable and the user experience lightweight?

- How do you strike a tone that is helpful without being intrusive?

How might we...

reinforce boundaries between work and life?

Alleviate burnout and help employees have a healthier relationship to work?

shift the onus from the individual employee to the employer?

How might we...

reinforce boundaries between work and life?

Alleviate burnout and help employees have a healthier relationship to work?
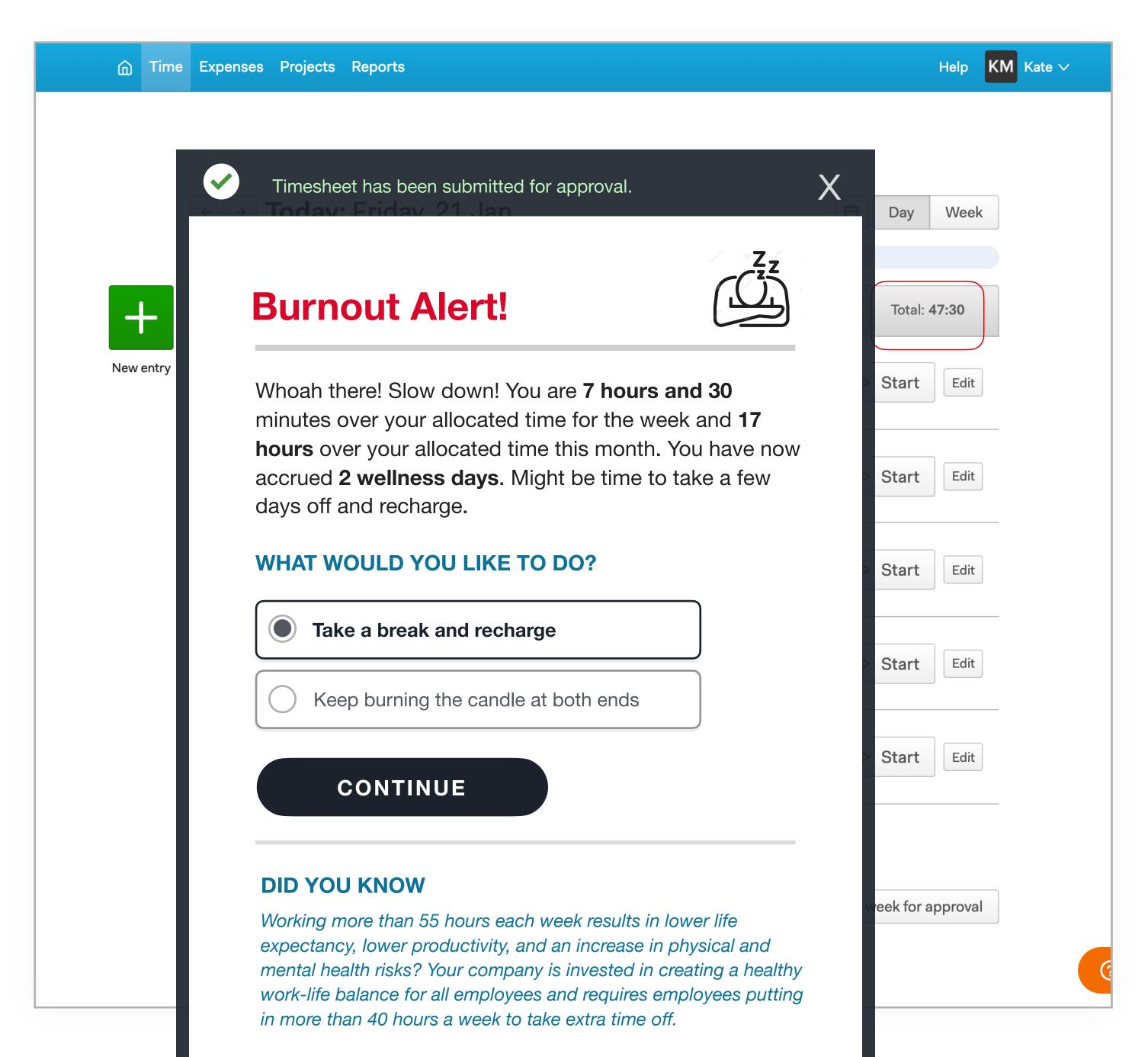
shift the onus from the individual employee to the employer?

How might we...

shift the onus from the individual employee to the company?

CONCEPT

Wellness Days Benefit

Imagine you're submitting your timesheets for the week. The system is alerted that you've been working overtime and suggests that you take some time off to recharge.

Time   Expenses   Projects   Reports   Help   KM   Kate ∨

✓   Timesheet has been submitted for approval.   X

Today: Friday, 21 Jan   Day | Week

   New entry

Total: 47:30

Burnout Alert!

Whoah there! Slow down! You are **7 hours and 30 minutes** over your allocated time for the week and **17 hours** over your allocated time this month. You have now accrued **2 wellness days**. Might be time to take a few days off and recharge.

WHAT WOULD YOU LIKE TO DO?

◉ **Take a break and recharge**

○ Keep burning the candle at both ends

CONTINUE

DID YOU KNOW

Working more than 55 hours each week results in lower life expectancy, lower productivity, and an increase in physical and mental health risks? Your company is invested in creating a healthy work-life balance for all employees and requires employees putting in more than 40 hours a week to take extra time off.

Start | Edit
Start | Edit
Start | Edit
Start | Edit
Start | Edit
week for approval

When employers do the work of setting boundaries employees feel supported and free to focus on their jobs.

"*As someone who has always been very literal when it comes to my time off, this gives me the permission I need to take care of myself without all the guilt and anxiety.*"

Key Considerations

- How do you balance the realities of the business with the personal needs of employees?

- How do you make employees feel cared for but not patronized?

- What kinds of infrastructure do you need to support these kinds of policies?

How might we...

Go beyond the needs of individual employees to meet the needs of teams and groups of people?

make it meaningful and impactful?

serve the individual while also serving the group?

foster a culture of cooperation and collaboration?

How might we...

make it meaningful and impactful?

Go beyond the needs of individual employees to meet the needs of teams and groups of people?

serve the individual while also serving the group?

foster a culture of cooperation and collaboration?

How might we...

serve the individual while also serving the group?

Team Coach Benefit

Imagine a bot that takes the temperature of the team and sets up time with a team coach when it senses they needs a tune up.

Employees are open to and intrigued by benefits for the group, as long as they feel their individual needs are also are being met.

"I'm intrigued. I'd love to have access to something like this for my team, but only if I had personal relationship with this person where I felt like I could talk to them individually."

Key Considerations

- How is the team coach different than a therapist or motivational speaker?

- How do you get buy-in from the team?

- How do you prioritize the needs of individuals and those of the group?

- What role does the team coach have within the organization? What kind of authority do they have?

What topics could you explore through research?

How might you study some aspect of human life that could inform your business and your products?

Q&A

Let's keep talking
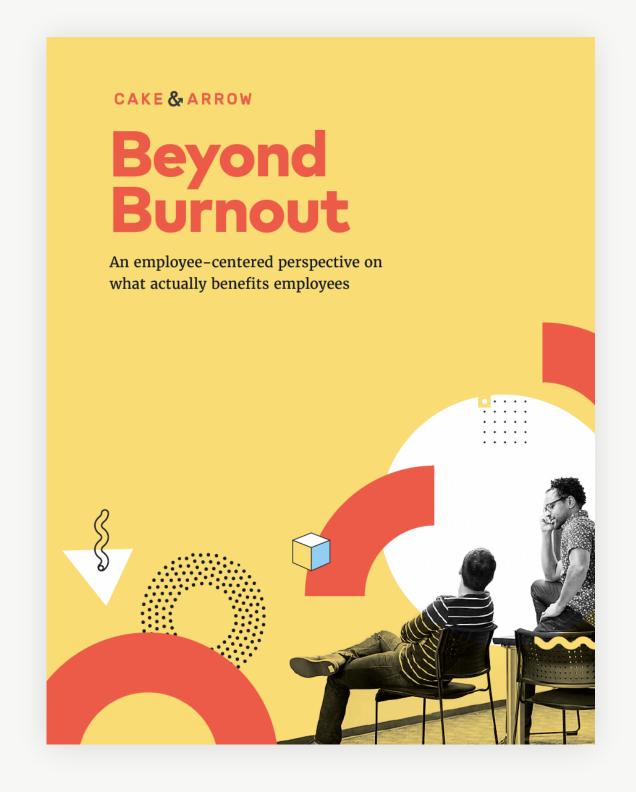
To schedule a follow-up conversation or lunch-and-learn with our team where we'll dive even deeper into findings from our research, *reach out to us:*

ecardineau@cakeandarrow.com

jlevine@cakeandarrow.com

DOWNLOAD OUR LATEST REPORT

go.cakeandarrow.com/beyond-burnout

CAKE & ARROW

Beyond Burnout

An employee-centered perspective on what actually benefits employees

Download more of our original research on our website

CAKE & ARROW

Covid-19 & the Gig Economy

A Reckoning for the Insurance Industry

CAKE & ARROW

Covid-19 & the Small Business Owner

Inside the Experience of Small Business Owners in the Time of Covid