

To what extent can MetLife's success be contributed to its organizational culture?

EXTENDED ESSAY

TOPIC: ORGANIZATIONAL CULTURE OF METLIFE



RESEARCH QUESTION

To what extent can Metlife's success be contributed to its organizational culture?

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To what extent can MetLife's success be contributed to its organizational culture?

Introduction

MetLife is a large multinational offering life insurance and other financial products and has a customer base of over 90 million in 64 countries.¹² MetLife was established in 1863 and is currently recognized as a market leader in the insurance industry. At MetLife, employees are one of the most important assets, and employee morale and productivity depend upon the organizational culture. The aim of this essay is to explore



Fig.1 - MetLife Building

how organizational culture contributed to the success of MetLife, basis the research question **“To what extent can Metlife’s success be contributed to its organizational culture?”** MetLife has been expanding in various geographies and this research could be used by managers in these areas to implement strategies to ensure employee and customer retention.

MetLife is one of the world’s largest institutional investors with close to \$600 billion of total assets under management as of 2019.³⁴ It’s quite evident that MetLife has done a lot of organizational changes and ushered in a more open and flat culture. This transformation and its impact will be discussed in more detail ahead.

¹ “MetLife Worldwide: Corporate Profile: Global Locations.” *MetLife*, www.metlife.com/about-us/corporate-profile/global-locations/.

² Reports, Staff and Wire. “MetLife Expands beyond 'Slow Growth' U.S. Market.” *Tulsa World*, 11 Mar. 2010, tulsaworld.com/business/metlife-expands-beyond-slow-growth-u-s-market/article_285c69f6-a4f7-5e5a-adfb-104656eda0eb.html.

³ Staff, Fortune. “MetLife: 2020 Fortune 500.” *Fortune*, Fortune, 31 Jan. 2021, fortune.com/company/metlife/fortune500/.

⁴ Editors, Fortune. “Fortune 500.” *Fortune*, Fortune, 18 Sept. 2020, fortune.com/fortune500/2020/search/.

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Methodology

Secondary sources of data like websites, case reports, articles, and books are used to support the research question. Business Management Textbook was used to understand the ways employees are motivated, the importance of employee motivation, and the importance and types of organizational culture. Various case reports published by MetLife have been used to gain in-depth information about the corporate culture of MetLife. Furthermore, reliable reviews regarding MetLife will be used to gain an independent perspective.

All the sources which will be used will give an inclusion impression which will help to better understand the business model of MetLife, which will then be used in reference to relevant Business Management context. This research uses the majority of the theory from Unit 2 of the Business Management syllabus: Human Resource. Firstly, Hofstede Model will be used to provide an in-depth analysis of the organizational culture of MetLife. The importance of factors such as Diversity&Inclusion, Training, Employee Empowerment will be explored to see how they have helped MetLife in creating a healthy working culture. The leadership style of MetLife will be analyzed using Maslow's hierarchy of needs. Lastly, an analysis of MetLife's accomplishments will be compared to its nearest competitor, New York Life using Mintzberg's Framework.

The Culture and Organization of MetLife

Background

Founded in 1863, MetLife today is a 150-year-old corporation, offering financial services to individuals and corporates. It was founded by a group of businessmen from New York City in 1863 who raised \$100,000 to float National Union Life and Limb Insurance Company.⁵ In 1868, it was

⁵ International Directory of Company Histories. . Encyclopedia.com. 12 Jan. 2021 ." *Encyclopedia.com*, Encyclopedia.com, 2020, www.encyclopedia.com/social-sciences-and-law/economics-business-and-labor/businesses-and-occupations/metropolitan-life-insurance-company.

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renamed Metropolitan Life Insurance Company (MetLife) and shifted its focus to the life insurance market.

MetLife's president Joseph Knapp instituted insurance workers from the UK, in order to train his employees in the art of writing coverage for small amounts, collecting renewals weekly, and accounting to the home office. This decision helped MetLife to increase its profits and within 6 years it had greater than \$100 million of business in force. This was one of the foremost instances of focusing on employees and making them an important pillar for growth.

In 1915, MetLife completed its mutualization process it demutualized into a public limited company with an IPO in 2000.

Over the decades, MetLife's share price has gradually increased due to integration of technology in the organizational processes making business processes more efficient, having a highly trained and motivated workforce. Shares started out at close to \$14 and now range around \$50 a share.⁶ Currently, by virtue of its subsidiaries, MetLife is the market leader in various regions of the world and has a client list that includes numerous Fortune 500 companies.



Fig.2 - MetLife's Share Price⁷

⁶ "MetLife, Inc. (MET) Stock Price, News, Quote & History." *Yahoo! Finance*, Yahoo!, 4 Feb. 2021, finance.yahoo.com/quote/MET/

⁷ "MetLife, Inc. (MET) Stock Price, News, Quote & History." *Yahoo! Finance*, Yahoo!, 25 Jan. 2021, finance.yahoo.com/quote/MET/.

Hofstede Model on MetLife⁸

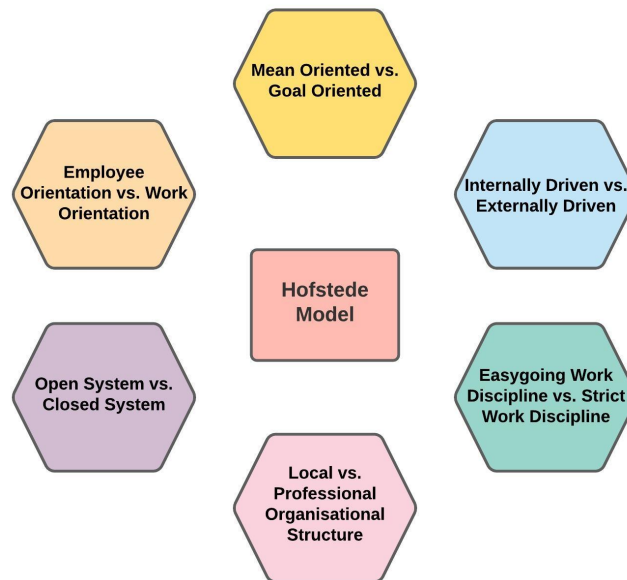


Fig.3 - Hofstede Model

1. Mean Oriented vs. Goal Oriented

MetLife has attained the balance between being a mean vs goal-oriented organization because it emphasizes the significance of accomplishing goals, and at the same time encourages personnel to take profitable risks.

Mean orientation focus ensures that employees undertake moral practices and complete assigned tasks upholding the core value of integrity. The emphasis is on healthy competition by encouraging target achievement. The good & bad of the previous day is discussed in daily Morning Team Huddles so as to get the best possible results. Spot recognition “SPARK” and sharing of personal experiences help in setting a positive tone to each workday,⁹ which helps MetLife in reducing the fear of failure.

⁸ Insights, Hofstede. “Organisational Culture.” *What You Need to Know*, hi.hofstede-insights.com/organisational-culture.

⁹ MetLife, Inc. *Global Impact 2015 Report*. www.metlife.com/content/dam/metlifecom/us/homepage/about-us/newsroom/GlobalImpact2015_FullReport_Online_EN.pdf.

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2. Internally Driven vs. Externally Driven¹⁰

The culture at MetLife is influenced internally. Despite quickly responding and catering to the changing customer needs, MetLife's management overtly imparts the importance of working ethically and fostering moral practices at the same time as responding to the changing market needs and preferences. MetLife trains its sales workforce and has system checks to ensure sales pitches and brochures are factually correct, customers are properly advised through a process referred to as "Suitability Questionnaire". This helps customers in making informed decisions regarding insurance.¹¹ Such ethical practices instill a sense of pride for employees and trust for customers and associates.

3. Easy-going Work Discipline vs. Strict Work Discipline

MetLife employs a culture of work that is strict in nature with a vertical hierarchy and a narrow structure.¹² This approach means that the President & CEO holds the decision-making authority, and influences the employees' work behavior. Having a vertical hierarchy and a tall structure aids in quicker and more effective communication; it also makes managing and controlling employees easier.

Creative and innovative culture is encouraged in the organization via compensating employees with various financial and non-monetary remunerations like employee recognition programs such as Employee Appreciation Week and Long Service Awards,¹³ however, the autonomy and empowerment are limited due to MetLife's strict work discipline.

¹⁰ "Organizational Culture of MetLife Inc." *Essay48*, www.essay48.com/3232-MetLife-Inc-Organizational-Culture.

¹¹ MetLife, Inc. *MetLife's Code of Business Ethics*. www.metlife.com/content/dam/metlifecom/us/homepage/about-us/corporate-governance/codes-of-conduct/business-ethics/MLCode_BusinessEthics_Final.pdf.

¹² Refer to Appendix 1

¹³ "Rewards & Recognition at PNB MetLife Insurance." *MetLife*, www.pnbmetlife.com/careers/rewards-and-recognition.html.

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However, MetLife has gradually started shifting from a centralized¹⁴ to a decentralized organizational structure¹⁵ as a response to its employees' developing want and need for autonomy¹⁶. This shift has transferred autonomy from top to the bottom of the structure, and has consequently boosted employee morale as they have some decision making power.

4. Local vs. Professional Organisational Structure

MetLife promotes a professional working attitude among its employees. At MetLife, diversity and inclusion are promoted and are much appreciated. It's imperative for MetLife to imbibe D&I as it operates in diverse geographies and with employees coming from cultures that are unique. As per "My Voice Survey" which was done by MetLife HR, it came out that 24% of the employees¹⁷ stated that having diversity and inclusion programs is necessary for organizations because it increases the chance of employee engagement which helps them in social networking, leading to higher employee retention.

5. Open System vs. Closed System

In MetLife, there are open channels of communication with a large and diversified organizational culture. There are Town-halls and Skip level Meetings which are now a norm and driven directly from the CEO's office. HR has been running the successful campaign "SPEAK OUT" to inculcate the habit of raising issues without fear of retribution. There also is an idea generation drive known as "Met Invent" which helps employees think innovatively to address daily processes or larger complex business issues.

¹⁴ "Org Chart MetLife." *The Official Board*, www.theofficialboard.com/org-chart/metlife.

¹⁵ "MetLife." *Professional Development and Promotions at MetLife | Indeed.com*, www.indeed.com/cmp/MetLife/topics/professional-development#cmp-section-other-topics.

¹⁶ "Employee Benefit Trends Study 2019." *MetLife*, www.metlife.com/employee-benefit-trends/ebts-thriving-in-new-work-world-2019/.

¹⁷ MetLife, Inc. *MetLife's 18th Annual U.S. Employee Benefit Trends Study 2020*. www.metlife.com/content/dam/metlifecom/us/ebts/pdf/MetLife-Employee-Benefit-Trends-Study-2020.pdf.

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This open culture at MetLife has enabled to ensure a high flow of information, and take advantage of the knowledge, abilities and competencies of its employees that belong to diverse backgrounds. These factors help MetLife in ensuring that it timely responds to changing customer needs and preferences in several, different geographical areas.

6. Employee Orientation vs. Work Orientation

The management at MetLife knows the worth of its human capital and has introduced and pushed for 'Work-life Balance'. Employees are encouraged to take leaves not just for recreation but also for paternity and education. This way MetLife is ensuring that employees are able to spend quality time apart from work. Every quarter there is a discussion between the manager and team regarding Goal Sheet Performance. This helps in assessing whether the team is on track to achieve goals at periodic intervals and what are remedial steps to be taken to ensure target achievement. These practices support establishing employee and work-related orientation.

Training and Development Opportunities at MetLife

At MetLife training and development is important as it helps in increasing employee motivation, productivity and helps in employee retention.

MetLife partners with various leading universities like the Indian School of Business, London Business School where their faculties spend time with the senior management of MetLife and help them in with tools and methods that help in improving the decision-making abilities of these resources.¹⁸

MetLife has also developed various training programs for college graduates or employees with minimum levels of work experience.

¹⁸ Prabodh Kurle, et al. "We Help Employees Thrive at MetLife." *Amazing Workplaces*, 20 Oct. 2020, amazingworkplaces.co.in/metlife-interview-ektacapoor/.

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1. Employee Benefits Sales Academy¹⁹ - This training program includes a combination of on-the-job and classroom learning, which focuses on the employees and graduates understanding risk management, professional selling skills. This has ensured that leaders moving out of this Academy have been assigned to key markets in Australia and Japan where MetLife is currently amongst the top 2 Group insurers in these respective markets.²⁰²¹
2. US Actuarial Development Program²² - This is a full-time rotation program that helps graduates learn skills in the actuarial field. Interns have been assigned projects at LUMEN-LAB wherein they have worked with the best of technology to come out with more predictive and empirical actuarial models for the rollout of new products. An example of this is MetLife's foray into health insurance in India where it launched the Met Mera Health Plan which gives the best of Life & Health insurance at competitive prices.
3. Global Leadership Development Program²³ - This program enables graduates and employees to experience cross-functional and regional rotational assignments in MetLife's core areas. The employees and graduates gain meaningful exposure by working in real-world situations. They are also partnered with mentors and receive coaching from MetLife's senior leaders.

The development of such training programs focused on college graduates and employees with minimum work experience helps MetLife in developing and grooming them the way they want. Such training programs enable MetLife to choose from a vast talent pool of freshly groomed college graduates, which makes the hiring process for MetLife easier.

¹⁹ *EmployeeBenefitSales*, jobs.metlife.com/content/EmployeeBenefitSales/?locale=en_US.

²⁰ "MetLife's Asia Business Show Growth Prospects." *Yahoo! Finance*, Yahoo!, finance.yahoo.com/news/metlife-asia-business-show-growth-170554124.html.

²¹ "Top 10 Life Insurance Companies in Australia: 2021 Ranking." *ComparingExpert*, 1 Jan. 2021, www.comparingexpert.com.au/life-insurance/companies/.

²² *ActuarialStudentProgram*, jobs.metlife.com/content/ActuarialStudentProgram/?locale=en_US.

²³ *GLDP*, jobs.metlife.com/content/GLDP/?locale=en_US.

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MetLife has also expanded on its Workforce of the Future strategy to build an organization of employees that focus on continuous improvement and development of existing and new skills for success. MetLife knows that to achieve this, it has to offer resources and opportunities to its employees to learn continuously.

Consequently, MetLife has started incorporating digital technology as a medium of accomplishing this goal effectively. In 2019, MetLife launched the Distribution Academy²⁴, a digital learning experience for its sales agents to build their skills and knowledge whenever needed, which will help them in delivering more customized solutions to MetLife's customers. It also launched the #BeCurious campaign in 2019, as a way of embedding a culture of continuous learning across MetLife. With this campaign, it launched a new training platform that provides employees with an integrated suite of digital learning programming, which is accessible on the go.

The above is an ecosystem that MetLife has developed that takes care of the training needs of the Senior & Middle-level management thereby improving retention of key employees and ensuring quality of decision making.

Diversity and Inclusion of Workforce at MetLife

MetLife postulates increasing Diversity and Inclusion in its workplace by employing workforce from differing racial and ethnic backgrounds and treating them equally. Furthermore, it values gender equity as one of its objectives, which builds employee confidence and in turn boosts workers' morale.²⁵

²⁴ MetLife. *MetLife Sustainability Report 2019*. 2019, www.metlife.com/content/dam/metlifecom/us/sustainability/pdf/report/2019/2019-sustainability-report.pdf.

²⁵ "MetLife Named One of the Top 75 Companies for Executive Women." *Business Wire*, 8 Dec. 2020, www.businesswire.com/news/home/20201208005439/en/.

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Consequently, MetLife's CEO Michel Khalaf signed the CEO Action for Diversity and Inclusion pledge, and MetLife became the 1st US based insurance signatory to sign the UN Women's Empowerment Principals. These efforts have aided MetLife to achieve several gender fairness goals:²⁶

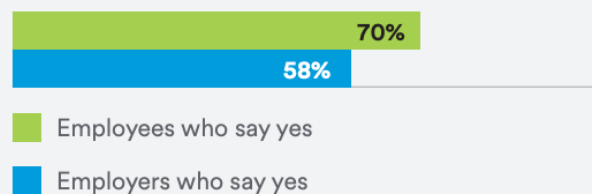
1. Greater than 50% of MetLife's entry-stage employees, near 40% of its managers, 28% of its regional managerial roles, and 30% of its Executive Group and Board of Directors are accounted for by women.
2. At MetLife's Leadership Development Program for women, 22% of the partakers are promoted to the assistant VP level within 2 years.
3. MetLife has additionally mounted Women's Business Networks and Peer Monitoring Circles in 34 of the nations it operates in, to provide professional steering and dialogue boards for women employees.

These initiatives have helped MetLife in advertising itself as a socially responsible organization, which has helped it create a very strong and positive brand image for itself resulting in an increase in employee & customer trust.

Fig.4 - Statistic showing importance of D&I²⁷

The statistic on the right shows that diversity and inclusion programs are highly important for employees, as they not only provide opportunities to showcase their culture but also helps in forming an inclusive culture that builds organizational trust. Such programs help

Are diversity programs and affinity groups important to employees?



²⁶ "MetLife Named One of the Top 75 Companies for Executive Women." *Yahoo! Finance*, Yahoo!, in.finance.yahoo.com/news/metlife-named-one-top-75-133000196.html.

²⁷ MetLife, Inc. *MetLife's 17th Annual U.S. Employee Benefit Trends Study 2019*. www.metlife.com/content/dam/metlifecom/us/ebts/pdf/MetLife-Employee-Benefit-Trends-Study-2019.pdf.

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foster a sense of belongingness for employees within MetLife, which is one of the factors for employee satisfaction, which leads to a more productive, efficient workforce that can deliver a much higher quality of customer service which has helped MetLife in attracting customers.

Employee Benefit Programs and Employee Empowerment at MetLife

Employee wellbeing is important at MetLife which it has put in place through good HR practices & processes to ensure adequately trained and customer-oriented workforce is employed.

MetLife has a policy encouraging employees to “Speak Up” without fear of retribution. It has a robust “whistleblower policy” to red flag any activity that may put the brand or company values at risk.²⁸

MetLife offers a differentiated compensation structure recognizing employees for performance and years put at service. There are policies for leave encashment, paid leaves that support work-life balance and thus motivate employees. These may sound trivial but have a huge potential in keeping teams motivated.²⁹

Lastly, MetLife also gives emphasis to employee recognition programs. It believes that recognizing employees' contributions promotes a culture of appreciation and increased employee engagement. Thus, it expanded Center Stage which is MetLife's recognition platform. Center Stage enables

²⁸ MetLife, Inc. *MetLife's Code of Business Ethics*. www.metlife.com/content/dam/metlifecom/us/homepage/about-us/corporate-governance/codes-of-conduct/business-ethics/MLCode_BusinessEthics_Final.pdf.

²⁹ says:, Prabodh Kurlle, et al. “We Help Employees Thrive at MetLife.” *Amazing Workplaces*, 20 Oct. 2020, amazingworkplaces.co.in/metlife-interview-ektacapoor/.

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employees to send badges and ecards to each other as a quick way to recognize colleagues and team members.³⁰

Leadership Style of MetLife

Michel Khalaf was appointed as the CEO and president of MetLife in 2019. As having a leadership role is western origin dominated, at MetLife, Khalaf has broken the general norms in the business world, from which many of his employees can take inspiration from. Having Khalaf as the CEO helps MetLife in further marketing its goal of diversity and inclusion which helps boost employee morale at MetLife as they know that they can prosper in the organization regardless of their race and ethnic backgrounds. Moreover, this also helps MetLife in improving its brand image which helps its go-to-market strategy.

MetLife has started to promote autonomy in decision-making in its workplaces.³¹ It expects its employees to be innovative and out-of-the-box thinkers and ensures this by providing sufficient tools, training, mentoring, and development programs for the employees to develop their ways of thinking and operating. This helps MetLife in having an innovative workforce which has helped MetLife in creating various technologies like LumenLab and having a competitive advantage in the insurance industry.

³⁰ MetLife, Inc. *Global Impact 2017 Corporate Responsibility Report* . s23.q4cdn.com/579645270/files/doc_downloads/corporate/MetLife_Global_Impact_2017.pdf.

³¹ Sr. Accounts Executive (Current Employee) - Jaipur, et al. "MetLife." *Indeed.com*, in.indeed.com/cmp/MetLife/reviews#:~:text=Great%20place%20to%20work%2C%20management,their%20employees%20everything%20is%20fantastic.

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MetLife's fixed corporate compass is illustrated through its mission statement, which sets a clear purpose and goal for its employees. Through this overlying purpose in its mission statement MetLife is able to motivate its employees³²:

*"All customers are "Met for Life." By balancing the efficiencies of new technologies with the personal touch of highly trained and motivated professionals, we are able to deliver solutions and services that exceed our customers' expectations.
We thereby earn their loyalty."*

MetLife employs motivational leadership to help improve the work culture and worker morale. An employee of MetLife in an interview stated that MetLife has a commitment to sharing knowledge and best practices across the workplace,³³ which shows how MetLife knows that passing on valuable knowledge to employees helps improve their morale and motivation since it gives them a feeling of being valued.

MetLife is a company that helps other businesses as well, as it undertakes and publishes studies on employee benefits trends wherein it states the ways in which businesses can foster a more inclusive culture, how to motivate employees for better customer service. It is also implied that MetLife motivates its staff by taking advice from its own studies. It offers financial rewards to motivate its employees, and it also uses other non-financial procedures like teamwork and collaborative working to solve problems. These initiatives help in fostering an innovative and highly efficient work culture by having skilled and like-minded people brainstorm to solve problems.

³² *MetLife*, www.makingafortune.biz/list-of-companies-m/metlife.htm.

³³ "What I Wish I Knew: Adriana Briones: The MetLife Blog." *MetLife*, www.metlife.com/blog/metlife-stories/adriana-briones-wishes-she-knew/.

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The above arguments connote that MetLife achieves the first four levels of Maslow's Theory as seen in Figure 5. It pays employees equally which helps them meet their physiological needs. MetLife also gives paid maternity leaves, and pension schemes to its employees giving a sense of security. MetLife encourages a culture of healthy

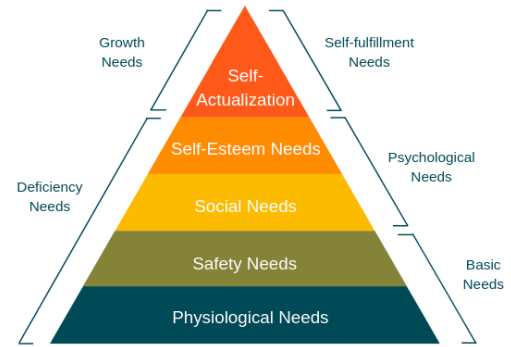


Fig.5 - Maslow's Hierarchy of Needs

competition and teamwork which helps employees form meaningful relations thereby aiding in fulfilling employees' social needs. MetLife also hosts annual recognition events for employees that have done remarkable work. Through the above-mentioned ways, MetLife helps employees achieve the first four levels of needs. Surpassing the first four levels means that the employees are able to reach the peak of "Self-Actualization." MetLife promotes autonomy and expects its employees to be innovative at work.

The above analysis using Maslow's Hierarchy of Needs demonstrates that the motivation of MetLife's employees is high. MetLife uses intrinsic and extrinsic motivation as the employees are motivated by providing financial rewards and promotions, as well as training and development opportunities.

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Comparing to a Competitor

When it comes to the Life Insurance industry especially in the US, New York Life is arguably a successful life insurance company. NYLIC is the largest mutual life insurance company in the US³⁴ NYLIC was ranked 71st in Fortune 500 2019 list of the largest corporations in the US in terms of revenue and has assets worth close to \$312 million.³⁶



Fig.6 - New York Life Building

Mintzberg's Framework³⁷ can be applied to New York Life's organizational structure. This framework analyses an organization into six divisions:³⁸

1. **Strategic apex**- top management that sets strategies and objectives
2. **Middle line**- ensures communication in the organization
3. **Operating core**- provides production and operation
4. **Technostructure**- includes professionals responsible for development, innovation, and infrastructures of the technology
5. **Support Staff** - supplementary support staff
6. **Ideology**- shared values, vision, and culture

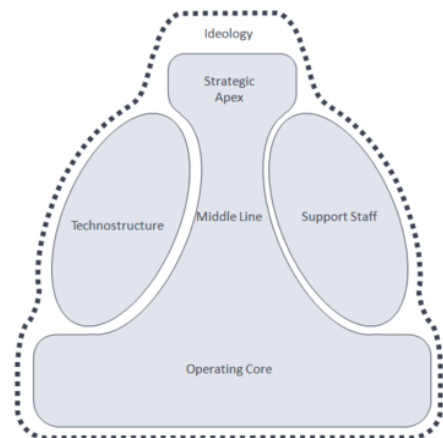


Fig.7 - Mintzberg's Framework

³⁴ Swarns, Rachel L. "Insurance Policies on Slaves: New York Life's Complicated Past." *The New York Times*, The New York Times, 18 Dec. 2016, www.nytimes.com/2016/12/18/us/insurance-policies-on-slaves-new-york-lifes-complicated-past.html.

³⁵ Michelle Jarboe, The Plain Dealer. "New York Life Leases Three Floors at 200 Public Square." *Cleveland*, 16 Apr. 2016, www.cleveland.com/business/2016/04/new_york_life_will_move_xxx_jo.html.

³⁶ Staff, Fortune. "New York Life Insurance: 2020 Fortune 500." *Fortune*, Fortune, 31 Jan. 2021, fortune.com/company/new-york-life-insurance/fortune500/.

³⁷ Muma, Richard D. Use Of Mintzberg's Model Of Managerial Roles As A Framework To Describe A Population Of Academic Health Profession Administrators.

³⁸ ManagementMania. "Mintzberg's Organizational Model." *ManagementMania.com*, ManagementMania.com, 31 Dec. 2015, managementmania.com/en/mintzbergs-organizational-model.

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Mintzberg's Framework of New York Life illustrates that the key decisions, the setting of strategies, and objectives are done at the strategic apex and that New York Life has a leadership style that is centralized in nature. This framework arranges New York Life as an entrepreneurial organization. The ideology i.e., the vision and mission³⁹ of New York Life portray a highly motivated workforce. Since, New York Life has a centralized, and tall organizational structure⁴⁰ with the top management having the decision-making capability, this affects the company since it only has a 10% frontline sales force retention rate⁴¹ whereby its managers are constantly in the hiring & training sphere thereby focusing less on selling.

Due to the difference in leadership styles of MetLife and New York Life, there is a difference in the average number of years that employees work at each place. Practices at MetLife have ensured employee retention to be averaging around 3.8 years⁴² while for New York Life it's at 2.6 years.⁴³ This is an important distinction between both organizations because employee retention directly impacts the amount of time and money the management needs to spend on hiring and training new employees.

New York Life, like MetLife, also focuses on employee training. The NYLIC University provides a sales development program for its agents.⁴⁴ It has six distinct development stages for the agents. It also offers a mentoring program where experienced and new sales agents meet and share best

³⁹ "New York Life Insurance Company Mission, Vision & Values." *Comparably*, 1 Apr. 2020, www.comparably.com/companies/new-york-life-insurance-company/mission.

⁴⁰ "New York Life Insurance - Org Chart." *THE ORG*, theorg.com/org/new-york-life-insurance/org-chart.

⁴¹ Glassdoor. *Employee Review New York Life*. www.glassdoor.com/Reviews/Employee-Review-New-York-Life-RVW3443425.htm.

⁴² "9 MetLife Careers & Jobs." *Zippia*, 31 Dec. 2020, www.zippia.com/metlife-careers-59737/.

⁴³ "10 New York Life Insurance Company Careers & Jobs." *Zippia*, 31 Dec. 2020, www.zippia.com/new-york-life-insurance-company-careers-59740/.

⁴⁴ "New York Life Montana General Office." *New York Life Insurance Company Montana General Office*, montana.nyloffices.com/Sales-Development-and-Training.7.htm.

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practices. Thus, with the New York Life University, it is able to properly groom sales agents to fulfill the organizational objectives.

New York Life and MetLife focus on different types of life Products. Where MetLife sells more term insurance, New York Life sells more whole life Plans⁴⁵. This product differentiation also impacts the top line of both companies. Since term life insurance lasts for a specific period of time, it tends to be cheaper than whole life insurance. MetLife also offers higher flexibility on its term life insurance policies as they can last for up to 30 years, with the term life insurance policy of New York Life lasting between 5-20 years. Having higher flexibility and a cheaper policy⁴⁶ has helped MetLife have a competitive advantage over New York Life which can be illustrated by the following figures showing the revenues and profits of the 2 companies as well.

Year	Revenues (\$M)	Profits (\$M)
2019	\$67,941 2.7%	\$5,123 27.8%
2018	\$66,153 4.2%	\$4,010 401.3%
2017	\$63,476 -9.3%	\$800 -84.9%
2016	\$69,951 -4.6%	\$5,310 -15.8%
2015	\$73,316 7.5%	\$6,309 87.3%

Fig.8 - MetLife Revenue and Profits⁴⁷

⁴⁵ "MetLife vs New York Life Which Company Is Better in 2021?" *LIFE INSURANCE BLOG*, 22 July 2020, www.lifeinsuranceblog.net/metlife-insurance-vs-ny-life-insurance-which-is-better/#:~:text=The%20main%20difference%20between%20MetLife,more%20on%20whole%20life%20insurance.

⁴⁶ "MetLife vs New York Life Which Company Is Better in 2021?" *LIFE INSURANCE BLOG*, 22 July 2020, www.lifeinsuranceblog.net/metlife-insurance-vs-ny-life-insurance-which-is-better/.

⁴⁷ Staff, Fortune. "MetLife: 2020 Fortune 500." *Fortune*, Fortune, 31 Jan. 2021, fortune.com/company/metlife/fortune500/.

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Year	Revenues (\$M)	Profits (\$M)
2019	\$43,425 2.7%	\$880 -52.9%
2018	\$42,296 3.7%	\$1,866 71.6%
2017	\$40,787 -11.1%	\$1,088 324.1%
2016	\$45,891 18.6%	\$257 -84%
2015	\$38,680 7.4%	\$1,602 20.8%

Fig.9 - New York Life Revenue and Profits⁴⁸

Success at MetLife

It is evident through comparing to a competitor that MetLife's and New York Life's organizational culture are quite similar with the only distinction between them being the fact that MetLife has started to adopt a decentralized style in its workplaces with New York Life still adopting a more centralized approach. However, despite this difference, both corporations are successful insurance corporations. However, MetLife's success can be measured basis the following:

- the share price of MetLife rising from \$14 a share to around \$50 a share over the years. ⁴⁹
- a client list of multinational businesses like Accenture, IBM, CWT which trust MetLife for Group Insurance.⁵⁰
- MetLife has 90 million-plus customers worldwide in 64 different countries. ⁵¹
- MetLife also focuses on constant growth opportunities as shown in Figure.10 to ensure that it has a competitive advantage in the insurance industry.

⁴⁸ Staff, Fortune. "New York Life Insurance: 2020 Fortune 500." *Fortune*, Fortune, 31 Jan. 2021, fortune.com/company/new-york-life-insurance/fortune500/.

⁴⁹ "MetLife, Inc. (MET) Stock Price, News, Quote & History." *Yahoo! Finance*, Yahoo!, 4 Feb. 2021, finance.yahoo.com/quote/MET/?

⁵⁰ "Innovation." *MetLife*, www.metlife.com/sustainability/MetLife-sustainability/customers/innovation/.

⁵¹ Reports, Staff and Wire. "MetLife Expands beyond 'Slow Growth' U.S. Market." *Tulsa World*, 11 Mar. 2010, tulsaworld.com/business/metlife-expands-beyond-slow-growth-u-s-market/article_285c69f6-a4f7-5e5a-adfb-104656eda0eb.html.

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	Versant Health Holdco, Inc.	Sep 2020 Source »	\$1.7B	Versant Health is a managing general agency that provides eye health and vision care plans for members, brokers and eye care professionals.
	PetFirst Healthcare LLC	Dec 2019 Source »	undisclosed	PetFirst is a provider of health and accident insurance products and services for dogs and cats.
	Willing, Inc.	Nov 2019 Source »	undisclosed	Willing is a web-based legal platform that provides wills and digital estate planning solutions for individuals and businesses.

Fig.10 - MetLife's Acquisitions⁵²

Moreover, by forging strategic partnerships with leading tech companies such as Cisco, IBM, etc.⁵³ MetLife ensures that it can constantly study consumer habits to better suit their needs and in turn improve market share. Furthermore, MetLife has also created LumenLab⁵⁴ which is a digital data and technology hub in Singapore that will help MetLife study the trends of the Asian market very closely giving it a first-mover advantage in catering to the customer needs in Asian markets.

Lastly, Diversity and Inclusion helps MetLife in marketing its products by taking the local needs into account, thus providing a competitive advantage translating into profits & higher market capitalization.⁵⁵

Conclusion

Organizations that have invested in developing their workforce have reaped long-term benefits.

With evolving market dynamics, the age-old premise that well-paid workers will be happy has also undergone a sea change. Today's employees need work-life balance, need avenues to grow both vertically & horizontally, look at their training needs to be met, need social security, good work

⁵² Owler. "MetLife ." *Owler*, www.owler.com/company/metlife?pendo=kUUes6C7jD_rqETPliseSRbPjmA.

⁵³ "Innovation." *MetLife*, www.metlife.com/sustainability/MetLife-sustainability/customers/innovation/.

⁵⁴ "MetLife Launches LumenLab - the First-of-Its-Kind Innovation Centre in Singapore, for the Life Insurance Industry in Asia." *MetLife Launches LumenLab - the First-of-Its-Kind Innovation Centre in Singapore, for the Life Insurance Industry in Asia | Business Wire*, 16 July 2015, www.businesswire.com/news/home/20150716005707/en/MetLife-Launches-LumenLab---the-First-of-its-Kind-Innovation-Centre-in-Singapore-for-the-Life-Insurance-Industry-in-Asia.

⁵⁵ Refer to Appendix 2

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environment. MetLife understood this changing market dynamic and associated change of employees' requirements well in advance and gradually started to transform.

This transformation has been intense and paced in such a way that the core operations do not get impacted. Starting with decentralization of decision-making, to on-the-job-training, integrating technology, getting new policies on work balance rolled out, making D&I a cornerstone at MetLife have been planned and implemented well.

These changes have made MetLife stand apart from its competitors in building a brand that is trusted across the globe.

Basis the above it is fair to conclude that MetLife has been able to touch most of the critical employee satisfaction points over the years while doing internal changes. This has resulted in better employee retention, improved employee satisfaction scores, and above all improved profits and better earnings per share.

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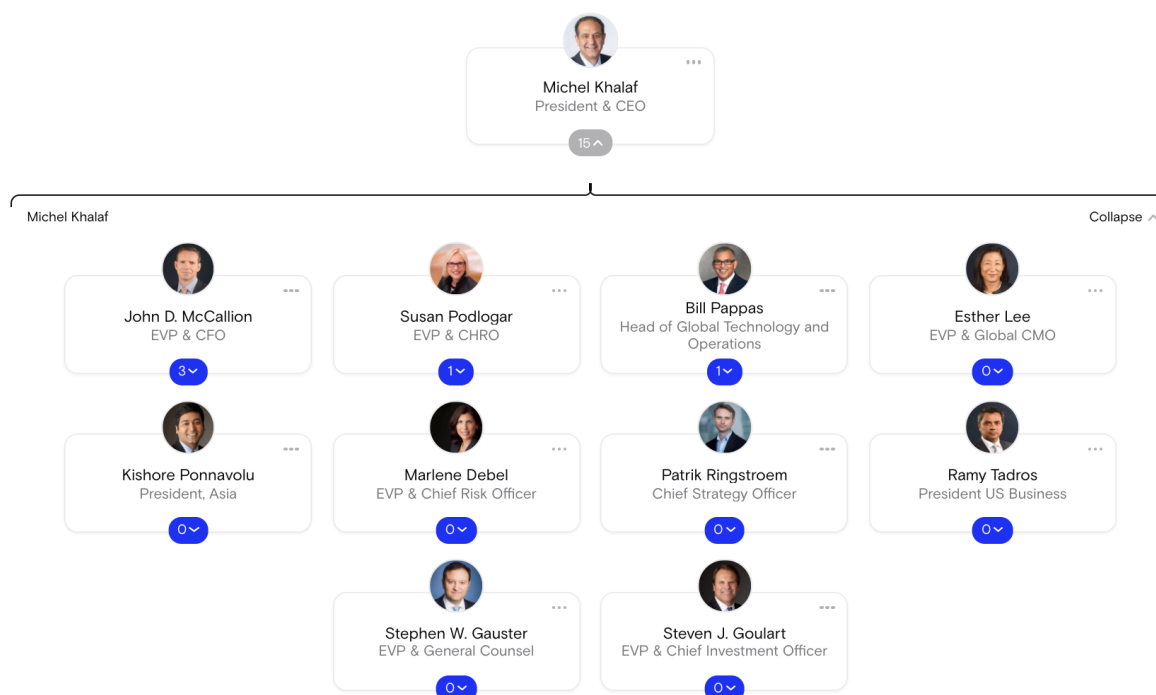
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Appendices

Appendix 1 - Organisational Chart of MetLife⁵⁶



Appendix 2 - MetLife earnings in 2018 and 2019 in Asia, Latin America and EMEA⁵⁷

ASIA

(\$ in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018	Change
Adjusted earnings	\$341	\$281	21%
Adjusted earnings (constant currency)	\$341	\$278	23%
Adjusted premiums, fees and other revenues	\$2,080	\$2,095	(1)%
Notable item(s)	\$0	\$0	

⁵⁶ "MetLife - Org Chart." *THE ORG*, theorg.com/org/metlife/org-chart.

⁵⁷ "MetLife Announces Full Year and Fourth Quarter 2019 Results." *Business Wire*, 5 Feb. 2020, www.businesswire.com/news/home/20200205005764/en/MetLife-Announces-Full-Year-and-Fourth-Quarter-2019-Results.

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LATIN AMERICA

(\$ in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018	Change
Adjusted earnings	\$161	\$137	18%
Adjusted earnings (constant currency)	\$161	\$133	21%
Adjusted premiums, fees and other revenues	\$888	\$956	(7)%
Notable item(s)	\$0	\$0	

EMEA

(\$ in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018	Change
Adjusted earnings	\$66	\$55	20%
Adjusted earnings (constant currency)	\$66	\$54	22%
Adjusted premiums, fees and other revenues	\$670	\$642	4%
Notable item(s)	\$0	\$0	

To what extent can MetLife's success be contributed to its organizational culture?

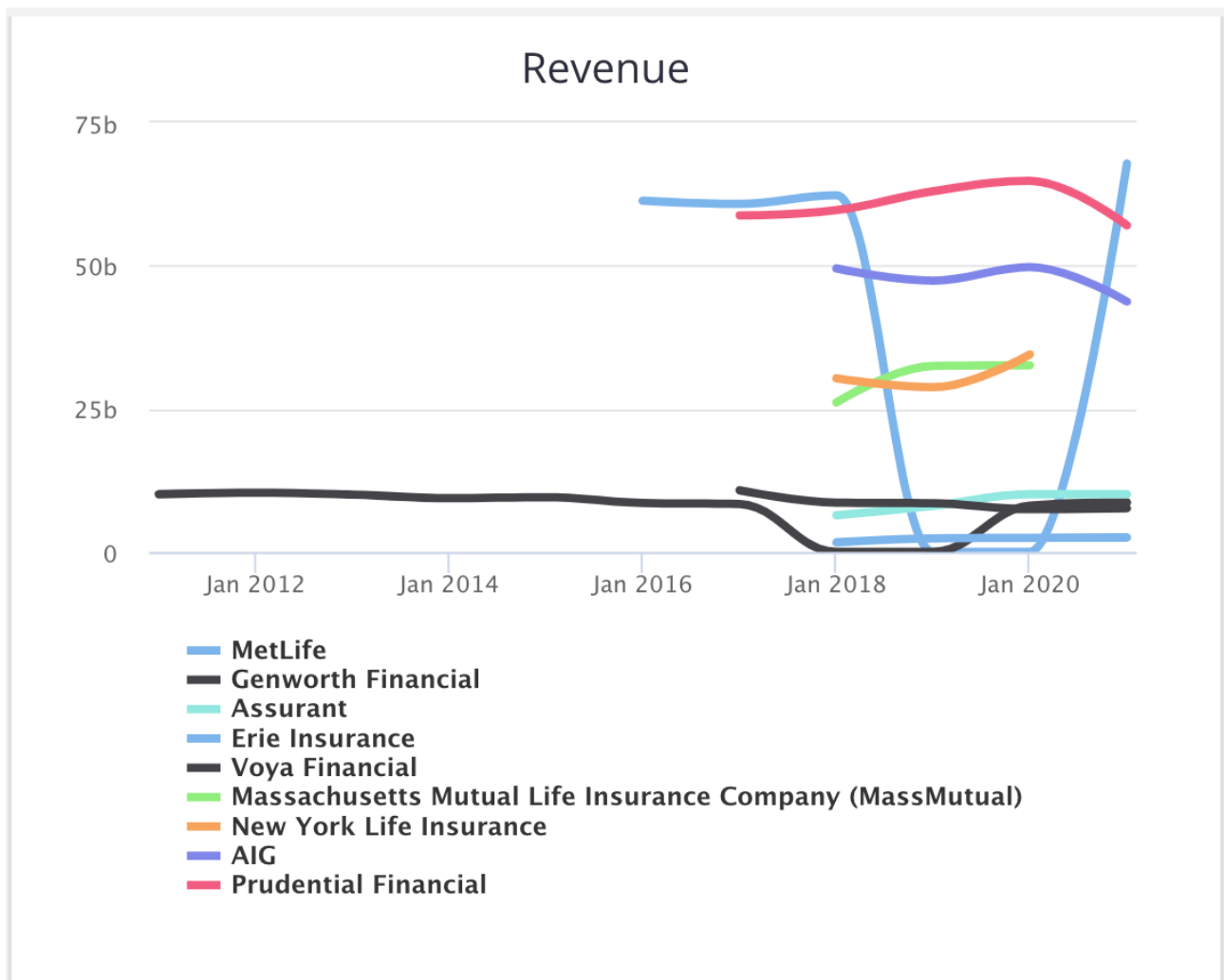
Appendix 3- MetLife Income Statements from 2015-2020⁵⁸

USD	FY, 2015	FY, 2016	FY, 2017	FY, 2018	FY, 2019	FY, 2020
Revenue	61.3b	60.8b	62.3b	67.9b	69.6b	67.8b
<i>Revenue growth, %</i>	<i>(16%)</i>	<i>(1%)</i>	<i>3%</i>	<i>9%</i>	<i>2%</i>	
Cost of goods sold						41.5b
Gross profit						26.4b
<i>Gross profit Margin, %</i>						<i>39%</i>
Operating expense total	55.7b	56.5b	58.8b	61.6b	62.8b	
Pre tax profit	5.7b	4.3b	3.5b	6.3b	6.8b	6.9b
Income tax expense	1.6b	693.0m	(1.5b)	1.2b	886.0m	1.5b
Net Income	5.4b	854.0m	4.0b	5.1b	5.9b	5.4b
EPS	4.6	0.6	3.6	4.9	6.1	

⁵⁸ Craft.Co. *MetLife Metrics*. craft.co/metlife/metrics.

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Appendix 4- Revenues of MetLife and its competitors⁵⁹



⁵⁹ Craft.Co. *MetLife/Competitors*. craft.co/metlife/competitors.