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Joseph Miranda didn't start Voya Financial on its digital path, but as chief digital officer he's speeding up the process.

by Kate Smith

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Joseph Miranda studies digitally native companies. It's not that he's looking to mimic their technology at Voya Financial, where he is chief digital officer. But he does want to learn from their approach.

"Digitally native companies are fascinating and share common attributes," Miranda said. "Your Amazons and Airbnbs and Zappos are tremendous examples of companies that believe in their purpose, first and foremost, but they're also companies that excel as customer experience brands.

"To me, we can learn from those digitally native companies and how they operate, what their methodologies are, and what they think in terms of organizational design and agility. Financial services companies like Voya need to think of ourselves as lifestyle brands and focus on the characteristics, interests and beliefs of our customers."

Voya, Miranda said, was on the road to being digitally savvy and customer focused before he came on board as its first chief digital officer in January 2016. Digital maturity was part of what attracted him to Voya from GE Capital, where he was vice president of global digital strategy.

So his job, as he sees it, is not to put the company on a digital path; it's to accelerate the journey.

"One of the reasons I chose to come to Voya was that it was ahead of the curve in the financial services industry from a digital perspective," he said. "It was already part of their strategic priorities. They had a great foundation in place both culturally and strategically.

"When I walked in the door, Voya was on its way to investing \$350 million in a strategic transformation of the company around end-to-end customer experiences."

Miranda has been tasked with designing and implementing a better digital customer experience at Voya. That's not quite as simple as revamping a website or launching a new mobile app. Not only does it require identifying the most effective ways to communicate with the customer through digital channels, but it also requires shifting the collective Voya mindset.

"Breaking down barriers of thought and re-sequencing the organizational DNA to have a growth mindset are core to my role," Miranda said. "I want to drive an entrepreneurial spirit into the heart of the organization."

Miranda sees three pieces to digital transformation—culture, customers and core business strategy.

"If I had to write down my top strategic items, first would be people and culture," Miranda said. "It's about ensuring we have a culture of shared learning, experimentation, ideation and innovation. I also want to make sure digital is integrated into every aspect of Voya's business strategy, and that digital opportunities are identified and embraced during the strategic planning process and implemented in an effective and efficient manner.

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“Finally, and most importantly, is to focus on the customer—creating personal and proactive digital customer experiences.”

Literacy and Lifestyle

One of the first tasks for any CDO is to identify what problem they need to solve. For a CDO in the retirement space, the challenge is pretty clear—financial literacy.

“A key issue we’re faced with in the retirement industry is the gap in retirement income,” Miranda said. “The majority of Americans today have limited to no retirement savings or pensions. Unfortunately they’re not prepared and may not be able to meet their lifestyle expectations in retirement.

“An even greater challenge is that retirement income gap is really a symptom. We have a financial literacy issue in America. Finances are what cause most Americans a great deal of stress. Quite honestly, most are unprepared, and the industry is not doing a good job of speaking to them in terms and language they can understand. For me it’s the literacy issue that we really have to solve.”

Technology provides a platform for remedying that problem. Data can be used to gain a better understanding of customers, their concerns and their motivations. That insight can then be used to design effective and engaging means of communication.

“For us, digital offers a way to educate customers and demonstrate complex financial issues in a really easy-to-understand way,” Miranda said.

Voya is attempting to do that through myOrangeMoney, a digital tool that shows customers the effects that savings will have on their future monthly retirement income. By shifting the focus away from the lump sum of savings needed for retirement—a figure that may seem unattainable to the user—myOrangeMoney helps customers envision their future lifestyle by providing them with an easier-to-grasp metric, their monthly income.

“For us, myOrangeMoney helps us change the conversation around how you want to live in retirement and what you want to do in retirement,” Miranda said. “Do you want to travel or downsize? Do you want to do charity work or pursue new hobbies? The tool itself allows the customer to understand what they need from a monthly income to achieve the type of lifestyle they want. It breaks down complex concepts around retirement into easy, understandable messaging and visual representation.”

The foundational concept around myOrangeMoney is to communicate to customers where they are in relation to where they want to get.

“Through the use of data, we’re helping the customer get a better understanding of whether they’re progressing toward their goals and, if not, what they can do to achieve their goals and a sense of

financial wellness,” Miranda said. “It’s about helping the customer see their full financial picture and giving them dashboards, tools, and guidance to help them understand and manage their financial life.”

Planning for the Future

Voya’s goal is to help customers plan for tomorrow. Miranda’s goal is to do the same for Voya.

As a CDO, Miranda walks a line between the present and the future. He needs to meet the needs of customers today while also positioning the company to stay on the forefront.

“As the digital transformation of the world continues to take place and we enter the fourth industrial revolution, where advances in artificial intelligence and robotics start to become more prevalent, we’re starting to see routine jobs become automated,” Miranda said. “As companies continue to evolve, it will be important to pivot employees away from tasks that can be automated to more creative tasks that deliver value and customer solutions.”

That means creating an entrepreneurial culture that empowers employees.

“A substantial part of my role is to focus on cultural transformation and create an environment of openness and trust,”

Miranda said. “If you trust and empower employees, and give them the freedom and latitude to make decisions, you’ll find that their creativity will lead to better customer outcomes.

“Collectively, we need to create an environment where every employee can come to work knowing they have an opportunity to create new and better customer outcomes. They’re empowered to make a difference. That’s how the Amazons and Airbnbs—the digital natives—thrive.”

From testing concepts in Voya’s innovation lab to incorporating behavioral economics into digital design, he is trying to encourage an experimental, agile approach.

“We are continually testing and learning around new ideas, new experiences, that will lead to more and more innovation,” Miranda said.

It also, inevitably, leads to failure. It’s Miranda’s job to remind his colleagues that failure isn’t necessarily bad.

“That’s a significant mindset shift for organizations—accepting that failure is a positive outcome,” he said. “It’s not always about guaranteeing the destination; it’s more about what we learn along the journey that matters.

“An entrepreneurial spirit is the ability to take many shots on goal. We’re not going to score all the time, but we need to be willing to try. The more shots we take, the more successes we have. The key is lowering the cost of experimentation and failure. You don’t want a multimillion dollar failure; you want to fail fast and fail small. If I can help accelerate the failure cycle at Voya, I’ll feel like I made a difference.”

“I want to drive an entrepreneurial spirit into the heart of the organization.”

Joseph Miranda
Voya Financial

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