Case Study: Upskilling Around Automation at The Hartford

The Hartford is a Fortune 500 insurance and investment company headquartered in Hartford, Connecticut. The Hartford employs more than 18,000 people company wide, and serves clients in property and casualty insurance, group benefits and mutual funds. The Hartford has been recognized as one of the World's Most Ethical Companies by Ethisphere, as a Best Place to Work for LGTBQ+ Equality by the Human Rights Campaign, and as a Military Friendly Employer, among other accolades.

An Opportunity for Automation

The Hartford has a large workers' compensation business, ranked 2nd in the nation based on direct written premiums. Workers' compensation is insurance that provides coverage in the form of cash payments or medical care for workers who are injured on the job. Recently, the company discovered that a significant proportion of claims that were made through the workers' compensation department were relatively simple claims, referred to as "medical only," that required only coverage for medications or medical care and not more complex areas such as lost wages or time off work. Medical-only also includes claims that do not require any significant medical intervention or service, as well as claims where the treatment was completed before the claim was filed.

This area represented a prime opportunity for automation, where work previously done by a claim administrator would instead be automated using custom-build computer algorithms, freeing up staff members to do more complex work. The opportunity was discovered through a review in 2020, where an internal team worked with business leaders to identify efficiencies. They determined that some medical-only claims processes could be automated, eliminating multiple human touchpoints without sacrificing compliance or customer outcomes.

As with other automation efforts, AI often creates significant financial returns and efficiency gains, giving work previously done by humans to a machine. Unlike many automation efforts, though, The Hartford did not find savings through eliminating workforce. Rather, they took the opportunity created by the automation and reformed roles to fill different business needs, enabling the entire workers' compensation department to handle more, and more efficiently.

An internal team developed the AI technology that would, essentially, channel straightforward medical-only workers' compensation claims for payment and would flag more complex cases for staff review.

Deconstructing the Role

Role changes were significant. Mark Wagner, Vice President of Learning, Quality and Leadership at The Hartford, used a metaphor to describe the shifts. "If they never get a ground ball again, if they're only getting line drives or pops to shallow left field, you have to

get them prepared." For those not familiar with baseball, eliminating the easier or more transactional aspects of the role meant that workers were more consistently dealing with more complex cases.

The shift impacted two roles in the organization. The first, Claim Administrators, were previously responsible for ensuring that transactions were completed and payments were made. A higher-level role, Claim Representatives, had previously been responsible for reviewing all claims and channeling them for further review or on to the Claim Administrators for processing and payment.

To support role revisions and understand exactly how both Claim Administrator and Claim Representative roles would work under the automation, Wagner and his team partnered with Human Resources to "deconstruct" each position. The team adapted processes described in Ravin Jesuthasan and John Boudreau's Reinventing Jobs: A 4-Step Approach for Applying Automation to Work. This involved breaking the original role down into each of the discrete tasks and responsibilities required of it and articulating the skills involved in completing those tasks. The team then assessed how the automation would change the responsibilities and skills, and which new areas of work would emerge. Wagner commented, "We analyzed holistically what the new job is doing, and what happened to the old responsibility: what tasks, what time, physical, mental activity. To what extent is the automation helping, and what does it mean for the skills required of the job?"

The deconstruction process also required the team to get specific about learning, defining "upskilling" and "reskilling." Upskilling referred to efforts that would enhance skills within the current position, while reskilling would cultivate new skills that were not being utilized in the current role, preparing the employee for future work. Wagner commented, "When you do this deconstruction, you're starting to get granular with all the things a person is expected to do. If you're dramatically changing how a task is done, that moves into the reskilling realm. And there will probably be 'unlearning' involved. If you have to unlearn something, that is probably reskilling, too."

Boudreau and Jesuthasan recommend beginning job deconstruction by parsing out each task—use position descriptions as well as insights from experienced workers to arrive at a comprehensive listing of tasks. To determine which tasks are best suited for automation, assess each task by three factors—tasks that are mostly repetitive, independent and physical are most likely to be automated:

- Repetitive or variable?

- Independent or interactive?

- Physical or mental?

The authors then recommend re-writing the job description, removing automated tasks, for how it will appear in the future, paying special attention to how remaining tasks might be augmented by technology and automation.

The Hartford learning team went a step further to describe, for each task, whether existing employees needed upskilling or reskilling, enabling a granular and accurate assessment of learning needs and a ready-built agenda for upskilling.

Deconstruction led the learning team toward reskilling approaches. Jobs were shifting significantly, resulting in new tasks that required new competencies, as well as increased responsibilities. With many of the claims that previously required a human touch pre-automation now being reviewed and processed via automation, the channels changed.

Ultimately what emerged was a "hybrid" role, where Claim Administrators would take on some new responsibilities for not just ensuring claims were processed, but applying new knowledge generated through the automation to make decisions—responsibilities previously filled by Claim Representatives. This role, previously "Claim Administrator: Medical Only Claims/Rules-Based Claims" shifted to become "Claim Administrator: Expedited Claims and Medical Only Claims."

Meanwhile, the deconstruction process resulted in the elimination of some aspects of the Claim Representative role, which had previously been responsible for fielding claims and channeling them for processing to Claim Administrators. Post-automation, Claim Representatives were consistently handling more complex cases. Representatives, who are a more senior role in the department, were segmented into several new levels to create improved pathways. These new roles include:

- Claim Representatives typically have no industry experience, but are trained and capable of doing the work of handling complex cases with oversight

- Senior Claim Representatives have industry experience, and are able to handle complex work without significant oversight

- Claim Consultants come to The Hartford with significant industry experience and handle the most complex long-term claims.

While the Claim Representative and Senior Claim Representative roles are quite similar in content, they differ in volume, with Senior Claim Representatives handling more and with more autonomy. As more junior staff members demonstrate competency and gain experience, this new framework supports improved pathways and promotion opportunities. The limited time since implementation and small population means we cannot yet report on advancement rates.

The Upskilling and Reskilling Approach

Conscious of just how significantly roles would change, as well as how the ultimate success of the automation shift would rely on how well staff and AI worked together, the Learning Team at The Hartford were methodical in supporting staff upskilling.

The first step was assuring workers that their jobs were not at risk, while preparing them for big changes. Because the entire unit was affected, everyone was required to go through training—at the time of implementation, the department employed about twenty people as Claim Administrators. The Learning team spent time providing context for the changes, working to help staff understand that automation would not be consequence-free, but that those consequences would not necessarily be negative. Melissa Pouliot, Assistant Director of Training, said, "We focused on the idea that we were taking work away that they didn't need

to touch and freeing up time to handle more complex items and issues that needed soft skills."

The Learning team collaborated early and consistently with the AI team that was developing and planning implementation for the automation program. "We did a lot of test and learns. Prior to rolling out a final product, we knew what was going to work and not work based on a small sampling. We knew what the business impact was going to be," said Melissa Pouliot. Workers' Comp staff also had early opportunities to review the technology, and to provide input into its roll-out. The Hartford also provided opportunities for transfer for workers who wanted them, supporting placements in other teams throughout the company, though no one on the team took that offer.

To prepare a comprehensive upskilling plan, the Learning team relied heavily on the Workers' Compensation leadership team, who conducted an assessment of where staff members might struggle or need extra support. The skills assessment uncovered two priority gaps: communication and data interpretation/insights. To meet the gap areas and prepare the staff for roll out, training focused on:

- Coverage – As a result of the automation, Claim Administrators' coverage areas increased significantly, with staff handling up to 14 states. Staff needed to be able to investigate and identify coverage where the automation process failed to confirm it, such as in cases with an unknown policy number or date issues.

- Investigation – Because each state handles workers' compensation slightly differently, staff members received both blanket training in conducting investigations into coverage and compensability, as well as specific jurisdictional training to learn the particulars of each state.

- Finding information – The Hartford built out a substantial Knowledge Management System designed to provide resources and guidance for the team at their fingertips. To support staffer resourcefulness, training focused on navigation of the system.

- Communications – Despite the automation, customers still had questions about their expedited claims. Staff members received training on both how to best define customers' questions and issues, and how to best answer those questions about expedited claims.

The expedited claims process rolled out over three stages in March and April, 2021, which each phase covering a set of states. Similarly, the Learning team staged upskilling efforts with a modularized approach, timing training to what was going to be released. The team used a variety of approaches, including scenarios, case studies, role playing, and guided questions to enable decision-making. The Learning team had an asset in the Claim Administrator workforce, with the vast majority of team members having experience in handling claims. The strong experience of the staff enabled The Hartford to build on existing strength, and for more experienced workers to be mentors to those with less experience.

The Knowledge Management System evolution was key in supporting upskilling employees in their new roles. Because role success would be contingent on employees having information about Workers' Compensation rules in multiple states, the system had to be

easily searchable and employees would need to understand where to find discrete data. The learning team proactively designed the system so employees would have it at the start and have constantly updated and refreshed it since implementation. "We had to really revamp performance support. We needed to look at it more holistically and ask what we really needed to do to performance support so it was giving people the access to information that they needed. We asked how could we support the performer differently. You can't let that get in your rearview mirror," Wagner commented.

There were parachutes built into the training process, as well. In addition to the proactive training and mentorships, the Learning team engaged subject-matter experts to provide ongoing support and offered re-training for those who did not pick up concepts fully the first time. Pouliot noted that the upskilling process was a journey. "Some were resistant. I think it was more of a 'letting go' of the old process and starting something new. People want to make sure they understand. Whenever we trained, we always said, this is what you will get graded on, this is what you won't get graded on. We built trust by making sure people knew where we were going."

The Learning team paid special attention to helping employees understand what the automation was doing–showing staff members exactly how the AI worked and what the results would be. They spent significant time describing "what mattered," according to Pouliot. This process built trust and confidence, as there were no surprises or curve balls for staff members who were in a vulnerable position learning new skills. Wagner noted that the staged release for the automation was helpful in supporting workers to get to where they needed to be. "The implementation was agile," he said. "If you're not turning on the pipe right away, the staff can get a sense for it ramping up and feel comfortable as they're adding work. We're not doing 'turn on the machine, see what happens.'"

The moderated approach Wagner describes also allowed for time to adapt the technology. "We were there at the table," he said. "They'd give us the error rate. A lot of times, it was the bot making the mistake, not the person. The people didn't slow things down as much as fine tuning the technology. That was the throttle. We always listened to the people. We were in constant contact with the unit."

The deconstruction process ultimately supported and improved the automation tool development, as well. Because the team had methodically broken down the tasks, competencies and responsibilities required by each role, the tech could be built out more comprehensively and in tune with how people would actually do their work. Wagner commented: "There were so many moments when the [tech] implementer was saying, 'It's going to do…,' and our line leaders would go silent. There were these aha! moments when someone on the tech side couldn't clearly articulate everything until we had deconstructed the job. The deconstruction helped balance our understanding of what was really going to happen to the worker."

While the adaptive and worker-paced approach and upskilling generated a mostly smooth implementation, the team did encounter some challenges. The automation process created shifts in the workforce that the Learning team anticipated and supported but they did not expect that the changes would impact customer experience. The automation resulted in

fewer steps between initial review and payment, which removed the need for the claimant to be contacted. "There was a gap," commented Pouliot. "Some customers said they wanted to be called on every claim. That triggered additional calls that we weren't expecting, and we'd told the staff they weren't going to be doing that."

What We Learned

Some clear lessons emerge from The Hartford's experience in designing an effective digital upskilling effort for incumbent employees.

People-Centered Approach

The first lesson is the value of the human touch, and of compassion in supporting employees through their learning process. Upskilling is vulnerable work for incumbent employees, whose livelihoods are at stake. By assuring employees that they were "not going to get automated out of a job," according to Wagner, and by staging learning so it was timely, contextual and supported with in-person and online help, The Hartford created a positive learning environment for workers. This is validated by the company's experience since implementation. Since the first half of 2021, the department remained remarkably stable. The original Claim Administrator team saw no company departures, though several were promoted or transferred to other lines of business.

People-Informed Technology

Similarly, the worker-paced implementation approach appears to have been vital to successful upskilling of department staff. As Wagner noted, avoiding the "turn it on, see what happens" approach enable the team to provide direct feedback into the automation tool itself, while also taking the necessary time to learn the ins and outs.

The deconstruction process also mandated that the automation build-out accommodate workers, rather than the other way around. The management and tech implementation team had to work together to confirm that tech wasn't building anything that would not accommodate employees in their new roles, while ensuring that workers had the upskilling and performance support they needed to thrive in the automated environment.

Impact At and Around Automation

The Hartford wisely anticipated that, while the automation primarily changed the Claim Administrator role, the entire department felt the impact. They understood that changing one job results in changes all around it, especially in a collaborative, hierarchical environment. The automation removed transactional work, which isn't best classified as easy but is not complex, and what remains is by necessity complex. Workers in roles affected by automation need to learn not only how to handle new digital processes and to engage with technology but are often increasingly working with a "life of line drives." Being attentive to upskilling and support at and around the point of automation, as well as ensuring workers have the support and skills they need to handle more complex work is a throughline of The Hartford story.

Continuous Improvement

Since implementation, the Learning team has engaged in a continuous improvement process, staying in constant contact with the workers' compensation department to identify

where additional training is needed and what needs to be revisited. "We are in constant partnership with them to figure out what's working or not working," said Pouliot. The Team is also engaging with staff, gaining their feedback to understand and improve, especially as new hires come onboard. Upskilling is never finished. The Hartford recognizes that learning is a process, and one that can be enhanced by listening directly to the working learners.

Deep Experience and Insight

Finally, the success of upskilling efforts often comes down to the individuals who are designing and leading the work. In Melissa Pouliot, The Hartford had the advantage of a learning lead who also had significant experience as a Claim Representative. She had done the job being impacted and had a comprehensive understanding of what the role was and how it would change, as well as insights into the challenges that implementation would bring. That the workers' compensation department staff had significant tenure was also an asset. Most staff members were knowledgeable about the work. The Learning team leveraged this asset and built from it, empowering workers, rather than starting from scratch.

Conclusion

The Hartford's experience in automating a significant portion of its claims process is an example of effective upskilling that results in positive outcomes for both the company and workers. While bottom-line results are still being determined, the company is handling more claims, and more efficiently than before, with workers empowered to use their new skills. It is also a positive story, where staff members kept jobs that were enhanced rather than replaced by automation.

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