

EXECUTIVE SUMMARY

Union Insurance Company (UIC), established 1998 in Ajman, United Arab Emirates (UAE). This study analyzes turnaround of UIC which made very poor progress, its financial performance began to drop during 2008 to 2011. Poor performance prompted shareholders to call for a total overhaul. In 2012 UIC was entrusted to a new leadership, who successfully turned around the company, revenue of the company rose over AED 1 billion in 2017 against AED 97.5 million in 2011. UIC became the fifth largest insurer in 2016 and titled as ‘fastest growing insurer’ in UAE in 2014. Authors believed its worth exploring UIC’s turnaround, as its progress made in a short span (6 years) under unfavorable economic condition in UAE. Average Gross Domestic Product (GDP) grew less than 2% since 2008 and UAE was subject to socio-political turmoil in the region and rapid up-down movements in the oil had negatively impacted the economy.

It is important to establish key hypothetical constructs related outcome of the study with the supporting literature and theoretical backing. The key constructs of the study are assumed as demonstrating transformational leadership (TL), executing marketing strategy (MS) and placing competent employees (CE) that influenced rapid business growth (RBG). It is important to disinter attributes under TL because leadership traits appear to be very strong at UIC without which authors had no ground to believe a company could record RBG constantly for six years period. In order to fuel the growth UIC had adapted a robust marketing strategy to elevate company from near zero (from 90 million in 13 years) to a Billion Dirham in six years. It is important to disinter theoretical underpinning in respect of marketing strategy and placing competent employees for key positions of the company as well.

The Economy of the country is a moderating factor for any business. Condition of UAE economy has been an influential that fuel or lessening the progress of UIC. In order to achieve objectives of the study which revolve around the case framework that comprises key drivers being TL, MS and CE and UAE economy as moderator, authors have devised a strategy to gather and analyze data to establish the association of each driver with the outcome and their attributes relevant for the case. As UIC a public shareholding company most quantitative data was publicly available. Specific nature of the drivers in the conceptual framework, a qualitative data analysis warranted. The primary data collected via in-depth interviews carried out under three categories being strategic, divisional and

functional teams of UIC. Number of focus group discussions also conducted representing UIC. Clients, Competitors and Brokers were used to bring third party dimension and increase the quality.

Timeline and the events spotted therein are self-explanatory evidences. The key events revolved around UIC in the period between 2012-2107 have been narrated in a sequential manner based on the primary and secondary data gathered. Looking at the timeline events (Appendix XI) it is evident that UIC has initiated them with a purpose and presumably part of its strategy. Major events that authors were attracted are establishing corporate office in Dubai, declaration of fast phase growth by CEO, licensing to transact life insurance, expansion of human capital especially key personnel, distribution channels, various products, investment in IT infrastructure, brand & quality expansion, ratification through ISO, financial rating etc. and many more. On prima facie each event is connected to a driver or more which contributed to the desired outcome. On the other hand, main outcome of revenue growth looks magical if no attention is given to the underlying events as discussed above.

Theoretical concepts attached to components of the case framework could be able to evident by authors when they referred to organizational perspective through collected primary and secondary data. In terms of revenue UIC could demonstrate a rapid revenue growth in line with conceptual backing as desired by respective scholars. Accordingly, UIC had achieved well above the required CAGR and annualized revenue growth above 80% and average 25% respectively. In contrast to the revenue growth, UIC had increased its head count, assets base and equity movements maintained healthily despite, the rapid revenue growth. The influence of TL inspired and amplified employee self-efficacy to perform beyond their capacities. Similarly, UIC has challenged insurance market by successfully executing marketing mix strategy thankful to competent and experienced employees. The contribution by key employees were always instrumental to articulate the turnaround of the company.

UIC had achieved a rapid business growth during the period 2012-2017 as outlined in the objectives. It was observed that leader has set higher standards for the organization for the employees, setting fast phase high revenue growth, against slower economic conditions. Mr. Muttaieb as characterized as a transformational leader has utilized his charismatic nature to influence his team, he was able to set and communicate objectives clearly for the followers and showing them the right direction. Synergy he created within the team

was second to none in the insurance industry of UAE. Employees motivated by seeing his passion that elevated UIC from scratch to a market leader, keeping reliance on employees and their capabilities inspired employees to deliver more than ordinary capacity. Innovation was encouraged, creativity became part of UIC's culture, leader empowering employees evolved them make product & service offerings much superior to the peers. High growth firms are often associated with high risk factors therefore, authors stress them to revisit their strategy for next five years by evaluating macro and micro level of economy and industry to arrive appropriate game plan with more consolidation and sustainable approach.