



# Product Development and Creativity

An Interview with Christopher Condon,  
President and Chief Executive Officer, AXA Financial, Inc.



**EDITORS' NOTE** Christopher "Kip" Condon was elected to his current post and as a member of the AXA Group Management Board in May 2001. In addition, Condon is Chairman and Chief Executive Officer of AXA Financial's principal insurance subsidiary, AXA Equitable Life Insurance Company. Immediately prior to joining AXA Financial, Condon served as President and Chief Operating Officer of Mellon Financial Corporation and as Chairman and Chief Executive Officer of The Dreyfus Corporation. Condon received a bachelor's degree in business from The University of Scranton, where he is a member of the board and Founding Chair of the President's Business Council.



Christopher Condon

**COMPANY BRIEF** In business since 1859, AXA Equitable Life Insurance Company ([www.axa-equitable.com](http://www.axa-equitable.com)) is a leading financial protection company and one of the nation's premier providers of life insurance, annuity, and investment products and services. AXA Equitable, a subsidiary of AXA Financial, Inc., is part of the France-based AXA Group, a worldwide leader in financial protection strategies and wealth management, which has operations in 50 countries and approximately \$1.73 trillion of assets under management.

## How much have current market conditions affected AXA's business?

We have felt less of an impact from the current environment than many other financial services firms. Our sales are down a bit year-over-year, but not materially. We have grown market share, so we're very optimistic about where we are, how we're structured, how we're positioned in the marketplace, and where we're going.

## Is it challenging to differentiate your brand in this market where so many products and services sound alike?

The marketplace is competitive with different approaches and strategies, but clients would rather deal with us because we are a brand name, are highly rated, and are well capitalized. Also, particularly in insurance, product is a real differentiator, so we put a lot of emphasis on product development and creativity. We're known in the marketplace as innovators. We introduced the concept of guaranteed income

benefits 12 years ago; 20 years before that we introduced variable life insurance to the marketplace. Our ratings, products, and distribution are very competitive. The combination of those attributes, plus the AXA Equitable name, gives comfort to people investing in the marketplace.

## How focused are you on emerging markets overseas?

AXA Group made more than 30 acquisitions in the past several years, mostly in Central and Eastern Europe, and Asia; we bought an Internet bank

in Hungary; we bought 36 percent of the second-largest property/casualty insurer in Russia; we bought a well-positioned company in Mexico; we bought a large insurer in South Korea; and we've built a life insurer in India where we have close to 20,000 agents. Many of these businesses are property/casualty insurers, because emerging demand for property protection evolves toward demand for life insurance and wealth management products. We emphasize the markets where our company has the greatest ability to grow.

## How much of an impact does technology have on the business, and could it interfere with the personal side of this business?

Technology is critical. We're introducing a new system to get products to market faster. We've also put systems in place to be more responsive to clients when they call. Technology is important, but it will not replace the agent. You can't replace the fact that people need good advice, and they need someone to trust.

## Are you happy with the talent you're attracting?

There are 77 million baby boomers approaching retirement, and they're petrified about running out of money. The beauty of what we do is we guarantee they won't run out of money with guaranteed income products that provide streams of income through retirement. Once people understand that, it's easy to attract top talent. We have built a powerhouse of talent, and it gets better every day.

## How important is corporate citizenship to the culture of AXA?

We have two focuses worldwide: employee engagement and customer centricity. We have an initiative called Ambition 2012, which started as an internal strategy to focus on how to grow the company and develop a common global framework. We later added financial targets to double

our revenues and triple our profits from 2004 to 2012. We use it to improve the way we do a lot of things, including how we engage our employees. People from the bottom up have a voice at the table. In terms of the community, we're proud of what we do. We have a great scholarship program – AXA Achievement – where we give 52 scholarships a year in partnership with *U.S. News & World Report* in addition to hundreds of scholarships at a local and community level. We started the program six years ago and just hired our first award winner into the company, so we feel really good about that.

## How critical is it to build diversity and inclusiveness at AXA?

It's really important. Our client base is America, and America is diverse, so our company needs to be even more diverse than it already is. Three years ago, I formed a Diversity Advisory Council. We also have a Chief Diversity Officer responsible for diversity inside the organization. It's a never-ending quest that we pay very close attention to. It's not lip service from the top; it's part of what we do every day.

## Is there any validity to rumors that New York is losing its edge?

New York remains one of the world's leading financial hubs. It is challenging, however, from an insurance company perspective. We're dealing with an antiquated system of state-by-state regulation, one that needs to be changed. The Insurance Superintendent in New York understands the issues. He's working hard to cure them, so I remain optimistic. What we're asking for is a similar structure to what banks have. You can elect to be a local bank and be regulated by your state, or you can be a national bank and be regulated by the Fed. Without this kind of structure, our clients are at a disadvantage. It's hard for me to say it's easy to be competitive in New York when we're facing those kinds of issues.

## Looking back to when you accepted this role, have things progressed the way you imagined they would?

When I came here, my job was to ensure this company operated well every day. Today, I'm comfortable that we're doing extremely well. My job has evolved from making sure the company works well day to day, to ensuring this company is relevant 20 years from now. We just celebrated our 149th anniversary. My job is to ensure this company's perpetuity. ●

AXA Equitable in 1890 (left) and today (right)