

Designing a Change Management Model for Islamic Life Insurance to Create a Competitive Business Model: An ISM and AHP Approach

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Abstract

Rapid changes in the business environment require organizations to adopt a structured change management model in order to adapt effectively and develop more competitive business models. However, a comprehensive framework that systematically maps key transformation factors and prioritizes strategic elements with the greatest influence on change success remains limited. This study aims to design a change management model that strengthens the competitive advantage of Islamic life insurance companies. The research employs a qualitative method with a quantitative approach. Data were collected through literature review, questionnaires, interviews, and Focus Group Discussions (FGDs). Data analysis was conducted using descriptive analysis. The findings indicate that the success of change management is strongly influenced by transformational leadership, digital technology adoption, enhancement of human resource quality, and product innovation, thereby enabling the development of business models that are more adaptive, efficient, and competitive.

Keywords: *Change Management Model, Islamic Life Insurance, Competitive Business Model, ISM, AHP.*

Introduction

The Islamic life insurance industry in Indonesia has experienced significant growth over the past few decades. This growth has been driven by increasing public awareness of the importance of insurance protection, as well as a rising preference for financial products that comply with Islamic (Shariah) principles. Amid ongoing global and domestic economic dynamics, Islamic life insurance companies are required to continuously adapt and implement strategic changes in order to remain competitive and relevant.

Currently, the Islamic insurance sector has recorded substantial growth, as reflected in 2021 data showing an increase of 36.26%. Nevertheless, the overall contribution of Islamic insurance remains lower than that of conventional insurance. This disparity indicates considerable untapped potential within the Islamic insurance market, creating opportunities for further development through more aggressive marketing strategies, product innovation, and increased public awareness of the benefits of Islamic insurance (Simanullang et al., 2025).

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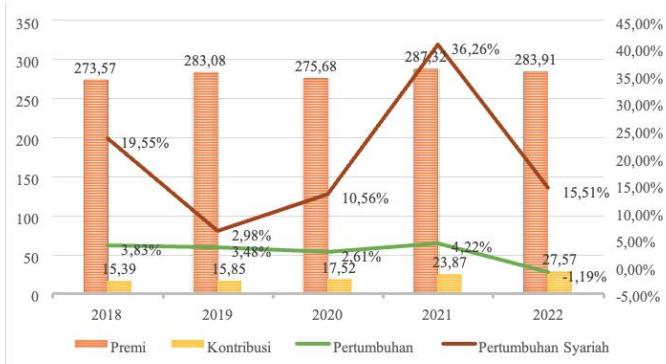


Figure 1. Growth of premiums and contributions in Indonesia (2018–2022)

Source: OJK (2024)

The Islamic insurance industry is currently experiencing increasing turbulence, characterized by intensifying competition, rapid market changes, and shifting customer expectations. To maintain competitive advantage and remain resilient, Islamic insurance companies must adopt effective strategies that respond to the dynamic changes occurring within the industry (Sinaga et al., 2024). Changes in the business environment have heightened competition both within and beyond the industry, necessitating change initiatives driven by both internal and external factors. Such an approach is essential for creating a competitive business environment capable of adapting to an increasingly dynamic era (Nainggolan, 2018). Consequently, firms are compelled to compete strategically to sustain their competitive positioning amid continuous change. These competitive pressures are also strongly evident in the Islamic insurance sector.

Data reported by the Indonesian Life Insurance Association (AAJI) indicate that life insurance performance particularly Islamic life insurance has recorded an increase in profitability. This trend can be attributed to the substantial potential of the Islamic life insurance market in Indonesia, where approximately 87% of the population is Muslim. Currently, there are eight fully fledged Islamic life insurance companies, including both domestic and joint-venture entities, several of which continue to demonstrate positive performance (Wulandari, 2021).

This potential is expected to further stimulate the growth of Islamic financial institutions in general, and Islamic life insurance in particular, which holds a larger market share compared to Islamic general insurance and Islamic reinsurance. By proactively anticipating global challenges and preparing for continuous change and innovation, this potential can serve as a key growth driver for the Islamic life insurance industry. Such transformation is imperative for all organizations in responding to global changes across various dimensions of contemporary and future business environments. According to Kotter (1996), organizations must continuously prepare for innovation and change—not only to achieve success, but also to survive in an increasingly competitive environment (Purwanto & Hermanto, 2023).

The COVID-19 pandemic in 2020 posed severe challenges to the financial services sector, particularly insurance companies. Insurers were compelled to rapidly adjust their business models in response to the crisis and evolving customer preferences. While some organizations viewed this disruption as an opportunity for development, others perceived it as a pathway toward decline and potential bankruptcy (Farsiah, 2024).

The COVID-19 pandemic significantly affected the insurance market, with the most pronounced impact observed in health insurance. Insurance and reinsurance premiums increased substantially, with annual premium hikes ranging from approximately 30% to 50%, largely due to the surge in claims. These increases also burdened policyholders who did not submit claims, ultimately reducing overall insurance demand (Prawesti, 2022). Additionally, changing consumer behavior—particularly preferences for minimal face-to-face interactions during policy applications—has compelled insurance companies to adopt new business models that emphasize digital and remote service delivery (Giokani, 2017).

Based on the observed developments in the Islamic life insurance industry, several key issues can be identified. First, previous studies have primarily focused on measuring efficiency, productivity, and competition within both Islamic and conventional insurance industries. However, they have not sufficiently linked productivity challenges in the insurance industry to change management practices in

Islamic insurance, thereby creating an opportunity to identify structural problems within Islamic insurance and to develop a dedicated change management model. Second, prior research on change management has largely been limited to literature reviews and the identification of various change management models and factors influencing change success. These studies remain constrained to impact testing, cognitive models, and conceptual analyses, leaving room for more comprehensive modeling approaches that systematically integrate expert judgments to generate more specific and actionable insights. Third, earlier studies examining change management have identified implementation barriers using fuzzy approaches; however, these studies have been limited to diagnosing causes and obstacles. This limitation presents an opportunity for further research employing more advanced and integrative analytical methods—such as Soft Systems Methodology (SSM), Fuzzy AHP, and Interpretive Structural Modeling (ISM)—to both identify key challenges and construct a strategic change management model for the Islamic life insurance industry. Fourth, several factors have been identified as contributing to the failure of change management initiatives, including weak organizational structures, lack of a clear vision, inadequate leadership capabilities, low stakeholder engagement, poor communication, and insufficient change management skills and knowledge.

The Islamic life insurance industry in Indonesia is currently at a critical juncture where strategic change management has become a decisive factor for sustainability and growth. By implementing an appropriate strategic change management model, Islamic life insurance companies can effectively address existing challenges and capitalize on emerging opportunities, enabling continuous development and the delivery of maximum societal benefits. Therefore, industry development efforts are required to enhance public literacy, expand marketing outreach, promote product innovation aligned with societal needs and financial capacity, and strengthen the capabilities of industry stakeholders.

Research Methodology

This study employs a qualitative research design with a quantitative approach. The research was conducted in Indonesia, specifically in Jakarta (head office locations), which allowed access to all relevant informants. The study involved board members and managerial-level executives from eight fully fledged Islamic life insurance companies, as well as industry experts, regulators, and customers. The research was carried out over the period from October 2024 to October 2025.

Secondary data were obtained through a comprehensive literature review to support, complement, and refine the primary data. These data sources included reports and publications issued by the Financial Services Authority (Otoritas Jasa Keuangan), industry associations, and other relevant institutions. Primary data were collected using questionnaires, interviews, and Focus Group Discussions (FGDs).

The population of this study consisted of eight fully fledged Islamic life insurance companies operating in Indonesia, all of which were included as the research sample. These companies are registered members of the Indonesian Islamic Insurance Association (Asosiasi Asuransi Syariah Indonesia – AASI) (<https://aasi.or.id>). Respondents were classified into four categories: (1) board members, commissioners, and senior executives of Islamic life insurance companies, who served as key informants in explaining internal conditions, business models, and current operational processes through situational and descriptive analysis; (2) practitioners and experts in Islamic life insurance, who provided in-depth insights into industry challenges, strategic model solutions, and conceptual change management frameworks through questionnaires, in-depth interviews, and FGDs; (3) experts in Islamic economics and finance representing relevant institutions, including the Financial Services Authority (OJK), AASI, the Indonesian Life Insurance Association (AAJI), Sharia Supervisory Boards, and academia; and (4) customers, whose perceptions of Islamic life insurance products and services were examined.

In addition, a quantitative approach was applied using descriptive statistical analysis to present the processed results of financial statement data from the sampled Islamic life insurance companies as primary quantitative data. The outcomes of this analysis were subsequently used as a basis for further in-depth examination and model development.

Strategic Priority Analysis for the Change Management Model in the Islamic Life Insurance Industry Based on the Analytical Hierarchy Process (AHP)

The analysis of strategic priority determination using the Analytical Hierarchy Process (AHP) was conducted to select the most appropriate strategic alternatives from the perspectives of key stakeholders in the Islamic life insurance industry in Indonesia (Arianty & Ghoni, 2023). Through the

AHP method, the most relevant strategies were identified for application within the strategic change management model, thereby providing a robust foundation for designing adaptive changes that respond effectively to industry challenges, regulatory requirements, and the needs of the Muslim community.

To achieve this objective, an AHP questionnaire consisting of pairwise comparisons among criteria and strategic alternatives was developed and distributed to eight experts with recognized expertise in economics, strategic management, and Islamic life insurance across diverse professional backgrounds. The experts' judgments were subsequently processed using the Expert Choice software, resulting in priority weights and key strategic alternatives. These outcomes serve as critical references in the formulation of a Strategic Change Management Model for the Islamic Life Insurance Industry in Indonesia.

Table 1 List of AHP experts

No	Company/Agency	Departments	Expertise
1	Family Takaful	Director of Operations	Actuary, Operation
2	We Can Trust (Trust) Gita)	President Director	Technology, Marketing
3	PT Asuransi Syariah Keluarga Indonesia	President Director	Shariah Member, Marketing
4	Sharia Prudential Insurance	Chief Financial Officer	Actuary, Financial, Shariah Expert
5	Manulife Syariah Indonesia	President Director	Actuary, Financial
6	JMA Sharia Insurance	President Director	Shariah Member, Marketing
7	PT Capital Life Syariah	Director	Financial, Insurance Expert
8	Bumiputra Sharia Life Insurance	President Director	Operation

The experts listed above served as the primary respondents in the development of the AHP-based model for formulating development strategies for the Islamic life insurance industry in Indonesia. These experts represent a wide range of organizations, including well-established Islamic insurance companies such as Prudential Syariah, Manulife Syariah, and Capital Life Syariah, as well as nationally based Islamic insurance providers such as Takaful, Asuransi Keluarga Indonesia, and Bumiputra Syariah. In addition, the involvement of practitioners from other institutions, including Kita Bisa and Jasa Mita Abadi, enriched the analysis by incorporating more diverse and comprehensive perspectives. The participation of Chief Executive Officers further enhanced the breadth of viewpoints, ensuring that the assessments accurately reflected real-world industry conditions. Given this diversity of professional backgrounds, the AHP results can be considered robust and valid, as they capture a holistic perspective from key practitioners and stakeholders within the industry.

Results of Interpretive Structural Modeling (ISM)

Table 2. Matrix of the Results of the Synthesis of the ISM Method

Elemen	Key Sub-Elements (Independent)	Sub-Elemen Linkage	Sub-Elemen Dependent	Sub-Elements Autonomous	Institutions Groups Related
Institutions that	Regulators have the highest	Customers and vendors are	The management (directors,	-	Regulator,

Affecte d	strategic thrust followed by shareholders as the driving force sekunder utama.	the connecting factor in the engagement system.	commissioners, and DPS) play the role of the party that receives and distributes policies from penggerak utama.		Holder s, Stock s, Dear Customer, Vendo r
Requirements Programs Policy	Commitment and vision & shared between shareholders and top management ; a targeted and measurable strategic roadmap.	–	Implementation of digitalization and improvement of human resource competencies as a follow-up to the program.	–	Holder s, Stock s, Mana ger
Main Obstacles	Low sharia literacy and weak shareholder commitment to sharia financial principles.	Limitations in mindset, skillset, and toolset; the policy system that is still conventional; as well as unresolved capital challenges.	A work culture that is not yet adaptive and the level of flexibility is still low.	Regulations that are rigid and slow to adapt to the dynamics of industrial change.	Dear Customer, Mana ger
Change s that Possibl e	Transformation of mindset, skillset, and toolset; Islamic product innovation that has uniqueness and competitive added value.	Establishment of a collaborative sharia ecosystem and strengthening re-branding based on service digitization.	Development of adaptive sharia business models and specific market segmentation (MSMEs, Islamic boarding schools, and Islamic institutions).	–	Holder s, Stock s, Admin istrator, DPS
Purpos e Progra ms Strategi c	Strengthening institutional existence and sharia differentiation through value-oriented	–	–	–	Holder s, Stock s, Regul ator

	product innovation.				
Activities Change Organisasi	Development of digital systems and research-based studies to support the implementation of change.	–	Structural alignment organisasi, improvement of SOPs, multi-stakeholder collaboration, adjustment of KPIs and assessment systems, as well as training and development of human resources.	–	Holders, Stockholders, Penguins, Employees, Vendor
Institutions / Groups that Get Involved	Regulators, shareholders, and the Sharia Supervisory Board (DPS) as the main drivers.	Administrators, customers, and associations (AASI) coordinating liaison.	Vendors and other professional associations as recipients of policy direction and technical implementation.	–	All external internal stakeholders of the sharia insurance industry.
Benchmark Success	Policy alignment with the sharia insurance industry and the uniqueness of products in accordance with sharia principles.	–	Increasing solvency ratio in accordance with OJK regulations, growing market share and number of customers, as well as increasing product innovation.	–	OJK, Holders, Stockholders, Dear Customer, Company
Size Effectiveness Policy	Clarity of the change management roadmap and the existence of academic studies as the basis for policy.	Monitoring, evaluation, and assessment systems; strengthening the operational system and updating the HR training curriculum.	Increased effectiveness, productivity, and work efficiency are reflected through reliable SOPs and change-specific KPIs.	–	Regulator, Holders, Stockholders, Manager

Based on the synthesis of the Interpretive Structural Modeling (ISM) results, the interrelationships among the identified elements reveal the dominant roles of shareholders (A1) and regulators (A7) as the primary independent drivers. These two elements occupy the highest level in the hierarchical structure, as they serve as sources of legitimacy, capital support, and policy direction governing organizational operations. Shareholders hold strategic interests in ensuring profitability and business continuity, while regulators particularly the Financial Services Authority (OJK)—ensure compliance with Shariah principles and consumer protection. This positioning establishes both actors as the critical starting points that determine the direction of transformation, encompassing governance structures, strategic policies, and business model innovation.

Furthermore, the ISM analysis identifies linkage elements that function as connectors between the main drivers and operational-level actors. Stakeholders such as customers, vendors, and industry associations play dual roles: on the one hand, they are beneficiaries of change initiatives; on the other hand, they actively contribute to the sustainability of the Islamic business ecosystem. The complex and reciprocal nature of these relationships renders the linkage elements highly dynamic. When policies or strategies formulated by shareholders and regulators fail to adequately address stakeholder expectations, linkage elements may generate resistance that slows the transformation process. Consequently, their active engagement through socialization programs, Islamic financial literacy initiatives, digital service collaboration, and trust-building efforts becomes a key determinant of long-term success in the Islamic life insurance industry.

In contrast, dependent elements including management, employees, and Islamic insurance agents represent the groups most directly affected by policy changes and transformation programs. These actors are required to adapt to new regulatory frameworks, digital technology adoption, updated standard operating procedures (SOPs), and increasingly stringent Shariah compliance standards. The capacity of human resources within this group constitutes a critical factor in determining policy effectiveness. In the absence of continuous training, managerial support, and well-defined monitoring and evaluation systems, dependent elements may experience uncertainty, adaptive stress, and resistance, ultimately hindering the implementation of strategic change at the operational level.

Beyond these three categories, the ISM results also identify autonomous elements that operate relatively independently and exhibit low levels of influence and dependence within the core system. These include rigid regulatory frameworks, slow bureaucratic processes, and external factors such as macroeconomic conditions or cross-sectoral policies that do not directly support Shariah innovation. Although their impact is not dominant, autonomous elements often act as adaptation bottlenecks, particularly in responding to market dynamics and technological advancements. Therefore, more flexible policy reforms and cross-institutional regulatory harmonization are essential to prevent transformation processes from being constrained.

The synthesis further underscores that the primary implementation challenges lie in low levels of Shariah literacy, limitations in human resource mindsets, skillsets, and toolsets, as well as the persistence of conventional policy orientations. To address these challenges, strategic measures include strengthening organizational culture transformation, enhancing human resource capacity through professional certification and competency-based training, and developing a distinctive, value-based Islamic business ecosystem capable of generating sustainable competitive advantage. These efforts must be supported by clearly defined implementation roadmaps, comprehensive SOPs, and performance measurement systems based on key performance indicators (KPIs) and regular monitoring to ensure the sustainability of change initiatives.

Overall, the direction of change derived from the ISM synthesis demonstrates that the successful development of the Islamic life insurance industry is highly dependent on synergy across three main layers: primary drivers (shareholders and regulators) as determinants of direction and policy; linkage elements (customers, vendors, and associations) as ecosystem connectors and feedback providers; and dependent elements (management, employees, and agents) as implementers and guardians of operational sustainability. Through a hierarchical yet adaptive relational structure, the resulting policies are expected to be not only effective in the short term but also sustainable in the long term, supported by enhanced business resilience, accelerated digital adoption, accommodative regulatory reforms, and Shariah-compliant product innovation.

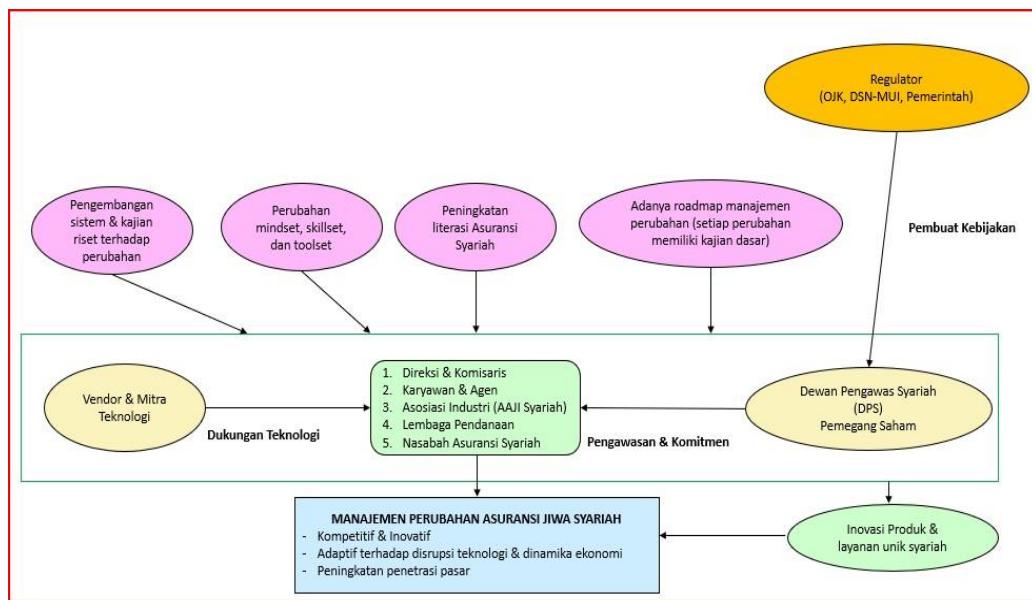


Figure 2. Change Management Model for Islamic Insurance in Indonesia

As illustrated in Figure 2, one of the key changes required to achieve the objectives of the Islamic insurance change management model is the transformation of mindsets, skillsets, and toolsets. This transformation is essential to ensure that organizational culture, human resource competencies, and technological capabilities are aligned with strategic change initiatives, thereby enabling the effective implementation of a competitive and Shariah-compliant business model.

Table 3 Analysis of changes in mindsets, skillsets and toolset needed by Sharia Life Insurance

ASPECTS OF CHANGE	CURRENT CONDITION (OLD)	CONDITIONS CHANGES (NEW)	INDIKATOR PERUBAHAN
MINDSETS	<ol style="list-style-type: none"> 1. Market followers, following conventional insurance patterns. 2. The orientation of generic products has not built sharia values. 2. Short-term mindset (limited growth). 	<ol style="list-style-type: none"> 1. Market creators, building sharia-based differentiation. 2. Confident in the superiority of sharia contracts and tabarru principles 3. Growth mindset, oriented towards sustainability. 	<ol style="list-style-type: none"> 1. New products/services that are unique and distinctive to sharia. A varied contract with the application of fiqh muamalah. The customer segment focuses on the Muslim community. 2. Targeted sharia innovation & R&D roadmap.
SKILLSETS	<ol style="list-style-type: none"> 1. Standard competence, conventional technical dominance. 2. Lack of understanding of the contract and fiqh muamalah. 	<ol style="list-style-type: none"> 1. Integrated competencies (management, business, and sharia). 2. Mastery of fiqh muamalah and sharia contracts. 3. Digital technology-based 	sharia certified human resources. Expanded training modules with sharia specifications. Innovative products created in-house. Research collaboration dengan Islamic educational institutions.

	1. Human resources are limited in product innovation. 3.	innovation capabilities.	
TOOLSETS	1. Simple technology support, limited to legacy <i>core systems</i> . 2. Service infrastructure is transactional. 3. Digital services are still minimal.	1. Advanced digital technologies (<i>mobile apps, sharia e-wallets, AI underwriting</i>). 2. Digital-based & community-friendly service infrastructure. 3. <i>Long-term relationship</i> approach with customers.	The presence of <i>mobile apps</i> and <i>sharia e-channels</i> . The existence of big data and AI for risk analysis. Branch offices as community centers. Islamic digital literacy & finance programs. Customer satisfaction and loyalty levels have increased.

Based on the analysis, it is evident that the mindset within the Islamic life insurance industry is undergoing a fundamental shift from merely following conventional insurance practices to becoming a market creator that actively builds differentiation grounded in Shariah principles. This transformation requires strong conviction and commitment to offering unique products and services that are fully aligned with Islamic contracts and oriented toward the Muslim community. Indicators of success include the emergence of innovative Shariah-compliant products, the establishment of structured research and development roadmaps, and a stronger market focus on Islamic community segments.

From the skillset perspective, a significant transition is observed in the enhancement of human resource competencies. Whereas previously human resources primarily possessed standard technical skills associated with conventional banking or insurance, there is now a growing need for integrated competencies encompassing management, business strategy, digital technology, and fiqh mu'amalat. This integration ensures that product innovations are not only fully compliant with Shariah principles but also competitive in the marketplace. Indicators of this transformation include the implementation of Shariah-based training programs, professional certification, and research and development collaborations with Islamic educational institutions.

Meanwhile, in terms of toolsets, the most notable changes involve the adoption of advanced digital technologies and the development of service infrastructures that extend beyond transactional interactions to foster long-term relationships with customers. Whereas legacy systems and limited digital services previously dominated operations, Islamic life insurance companies are now required to develop mobile applications, leverage big data analytics and artificial intelligence, and reposition branch offices as community engagement hubs. Success in this area is reflected in increased customer satisfaction, improved Islamic financial literacy, and stronger long-term loyalty to Shariah-compliant insurance products and services.

Overall, the analysis of changes in mindsets, skillsets, and toolsets demonstrates that the transformation of Islamic life insurance extends beyond technical adjustments, encompassing paradigm shifts, competency development, and technological advancement that mutually reinforce one another. These elements form a critical foundation for building a highly competitive Islamic insurance industry that is adaptive to contemporary developments while consistently upholding Shariah values.

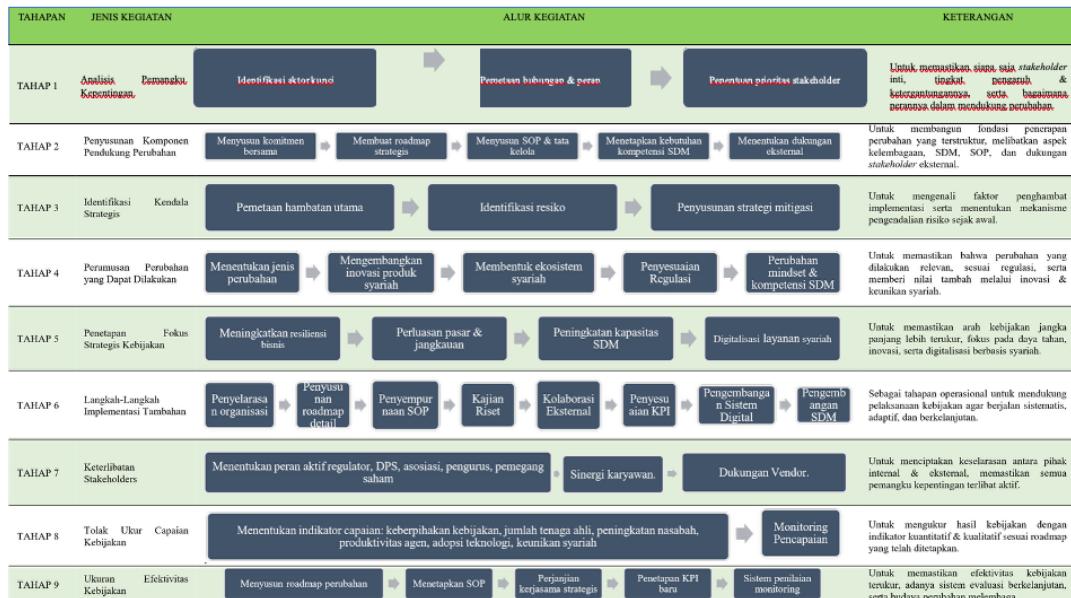


Figure 3. Flow Diagram of the Implementation Guidelines for Change Management in Islamic Insurance in Indonesia

The implementation of change management in the Islamic life insurance industry in Indonesia can be explained as follows:

1. Stage One: Stakeholder Analysis

At this stage, organizations are required to map all key actors involved in the change ecosystem. Identified stakeholders include shareholders, management (board of directors, commissioners, Sharia Supervisory Board, and actuaries), employees, customers, industry associations, vendors, and regulators. This process involves identifying the role of each stakeholder, their level of influence (driver power), and their degree of dependence. Such analysis is essential to determine which stakeholders should be prioritized in communication, support, and collaboration throughout the change process.

2. Stage Two: Development of Change Support Components

Once stakeholders have been mapped, attention shifts to developing components that support successful change implementation. These components include establishing shared commitment between shareholders and top management, formulating a strategic roadmap, developing appropriate governance structures and standard operating procedures (SOPs), enhancing human resource competencies, and strengthening support from external stakeholders. The primary objective of this stage is to build a solid institutional foundation to enable effective change implementation.

3. Stage Three: Identification of Strategic Constraints

Organizations must anticipate potential obstacles that may disrupt implementation. Key constraints identified include low levels of Shariah literacy, weak mindsets and toolsets, predominantly conventional business models, and capital limitations. This stage involves risk mapping, assessing resistance levels, and formulating mitigation strategies. It is critical for minimizing the risk of change failure arising from internal and external factors.

4. Stage Four: Formulation of Feasible Change Initiatives

At this stage, the type and direction of change initiatives are determined. These include the development of Shariah-compliant product and service innovations, the creation of Islamic microbusiness ecosystems, regulatory adjustments, and transformations in human resource mindsets and competencies. This stage emphasizes that change initiatives must be relevant, innovative, compliant with Shariah principles, and capable of delivering tangible value to both customers and organizations.

5. Stage Five: Determination of Strategic Policy Focus

The selected strategic focus areas include strengthening business resilience in an era of disruption, expanding market reach, enhancing human resource capacity, and accelerating the digitalization of Islamic insurance products. This stage clarifies the long-term policy direction that must be consistently pursued to ensure the competitiveness and sustainability of the Islamic life insurance industry.

6. Stage Six: Additional Implementation Measures

Following the establishment of strategic priorities, organizations must prepare more detailed operational actions. These include organizational alignment, the development of more specific implementation roadmaps, SOP refinement, policy-supporting research, collaboration with external stakeholders, KPI adjustments, digital system development, and structured human resource development programs. This technical stage ensures that change is executed in a systematic and adaptive manner.

7. Stage Seven: Stakeholder Engagement

All stakeholders, both internal and external, are actively involved in the implementation process. Regulators, Shariah Supervisory Boards, industry associations, shareholders, and management act as key policy directors and supervisors, while employees, vendors, and customers serve as implementers and direct beneficiaries. Cross-actor collaboration at this stage is critical for maintaining legitimacy, trust, and system sustainability.

8. Stage Eight: Policy Performance Indicators

Performance indicators are established to measure implementation success. These indicators include policy alignment with industry development, growth in certified professional personnel, increases in customer numbers, improvements in Shariah agent productivity, higher levels of technology adoption, and the realization of distinctive Shariah-compliant features. Continuous monitoring of these indicators is essential to evaluate progress toward established targets.

9. Stage Nine: Policy Effectiveness Measurement

As the final stage, policy effectiveness is assessed through the existence of a clear change management roadmap, compliance with SOPs, the establishment of external ecosystem partnerships, the implementation of new KPIs that support change management objectives, and performance evaluation systems capable of continuously monitoring implementation. This stage ensures that change initiatives are not merely temporary adjustments but become institutionalized as part of organizational culture.

Through the integration of AHP and ISM results, priority elements of strategic change were identified. The AHP analysis indicates that human resource competence is the most influential factor, followed by capital adequacy, product uniqueness, and strategic partnerships. The ISM analysis subsequently maps the interrelationships among these variables and establishes a hierarchical structure of change drivers, in which visionary leadership, policy reinforcement, and internal training systems emerge as the primary drivers within the change hierarchy.

The synthesis of these methods yields the Strategic Change Management Model for Islamic Insurance in Indonesia (Figure 3), which comprises three principal layers:

1. Driver Layer (driving factors: regulation, human resources, and leadership);
2. Enabler Layer (supporting factors: training systems, product innovation, and ecosystem collaboration); and
3. Outcome Layer (ultimate objectives: competitiveness, sustainability, and Shariah compliance).

This model is further reinforced by the Change Management Implementation Guidelines (Figure 3), which function as an operational roadmap for guiding strategic transformation processes within the Islamic insurance industry.

Conclusion

The implementation model of change management for Islamic life insurance in Indonesia represents a structured process that begins with needs mapping and stakeholder analysis, followed by the formulation of strategic priorities based on AHP results and the reinforcement of interrelationships among key factors through ISM. The success of this transformation is highly dependent on the renewal of mindsets, skillsets, and toolsets, which must be implemented in parallel with the strengthening of Shariah governance, the acceleration of system digitalization, and the alignment of business strategies with compliance requirements and market demands. Through synergy among primary drivers such as regulators and shareholders, linkage factors that connect actors within the change ecosystem, and dependent factors that reflect transformation outcomes, this model effectively promotes a more competitive and innovative Islamic life insurance industry while ensuring consistent adherence to Shariah values across all business processes.

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