

# PROGRAM LEADER

---

## DIVERSITY AND ***INCLUSION***

Ignite creativity, problem-solving  
and innovation

**Zurich's New  
Programs team:**  
Invested in  
your success

**Acting with Urgency**  
Empower your team  
to act with purpose  
and determination

Skill coaching and  
development programs  
for your team from Zurich

**2018 Program  
Administrator Award  
of Distinction Winners**



**ZURICH**<sup>®</sup>





## Editor's Letter

Dear Leader,

This issue of Program Leader magazine features a topic of great importance to my team and me: "Acting with urgency." This article explores the value of decisiveness and determination, and the role leaders play in empowering a culture of action.

We also look at the ways Zurich helps Program Administrators with talent development, from on-site sales coaching seminars to technical skill development via our online Learning Portal.

In our article "Diversity and inclusion," we explore the importance of diverse perspectives and human connection in sparking creativity, problem-solving skills and innovation, and the positive impact on your employees and your business.

In this issue, you'll also find the winners of the 2018 Program Administrator Awards of Distinction as well as the criteria for achieving this distinction for 2019. And, as always, we also provide a look at a few of our thriving programs.

You'll find these feature stories and much more inside. I hope you enjoy this edition! Please let us know if there are topics you'd like to see covered in the future.

Regards,

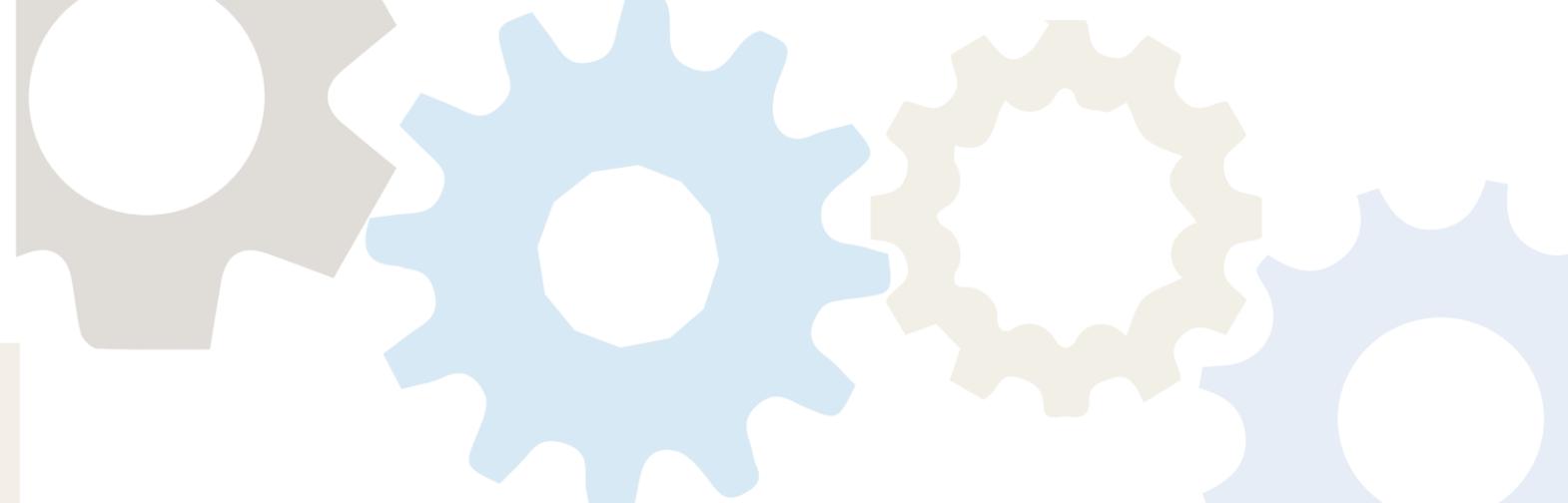
Greg Massey, CPCU, CIC, CRM  
Head of Programs  
Zurich North America

## Table of contents

Our people: Zurich's New Programs team	4
Zurich helps Program Administrators with talent development	8
Acting with urgency: Empower your team to act with purpose and determination	12
Diversity and inclusion: Ignite creativity, problem-solving and innovation	18
Focus on innovation leads to new Workers' Compensation program	24
Inside the award-winning Film Production program	27
2018 Program Administrator Award of Distinction winners	28
Underwriter's Corner: Voluntary Workers' Compensation	30



# OUR PEOPLE



## The New Programs



Moving a program to a new insurance provider requires an enormous investment of time, energy and resources. It usually means disruption to the business and the potential for a number of hurdles and challenges along the way. Zurich's unique structure, with its dedicated New Programs team, pairs the Program Administrator with an experienced team of program specialists who have successfully managed many program transitions and are committed to the program's success.

"Program Administrators do not move books of business on a whim. It's a long-planned, well-thought-out decision. The experience and resources Zurich brings to bear for a PA make the process as efficient as possible, and that's what sets us apart," says Denise Olson, Zurich's Head of New Programs.

In 2006, it became clear that Zurich's focus on the growth of its Programs business would require a team focused on the new programs process, from appetite evaluation to policy issuance, reporting and all the many technical aspects involved. To meet this need, Zurich established its New Programs team.

Olson, Suzanne Brauer, Daniel Gogolew and Erin O'Grady make up the core of the team. Brauer and Gogolew are underwriters with deep experience in many lines of business. O'Grady is an attorney with claims, product and regulatory experience. Olson's background spans actuarial, underwriting and product.

The core team's knowledge is broad and deep; they work hand-in-hand with Zurich's sales team, and an extended team of Programs-dedicated project managers and actuaries.

No two programs have the same experience. The value to a PA of Zurich's experience in moving a program from another insurance provider or starting up an entirely new program cannot be overstated. "We deal with this all the time, so we have the experience to know what the issues are and what the steps in the process are going to be," Olson says.

"At the same time, each opportunity is unique, so having the framework in place positions us to customize and adjust. We manage the process efficiently and that helps minimize the disruption to the business."

Brauer notes, "Zurich really looks beyond the program itself and into the agency, its people and its purpose. While it's critical to provide capacity with a trusted provider for growth, it's equally important to help the Program Administrator strengthen their business, be prepared for change and set the program up for success in the future."

### THE NEW PROGRAMS TEAM HAS RESPONSIBILITY FOR:



#### The initiation phase,

which includes assessing each program opportunity, identifying red flags, determining whether red flags can be overcome, and assembling a business case to commit time, energy and resources to advance the opportunity and obtain organizational buy-in.



#### The execution phase,

which includes due diligence, implementation plan development, systems integration, product work, a deeper dive into actuarial work, development of underwriting guidelines and claims handling processes and procedures, reporting, coding and all technical components required for the program.



#### A smooth transition and handoff

to the Program Manager, who will ultimately be the main contact point at Zurich.



We want our Program Administrator partners to have confidence that we will be upfront and honest for the good of the effort on both sides. We respect our PAs very much. We value their time and we will not waste it.

### TEAM PHILOSOPHY

The team doctrines are urgency and transparency.



**Urgency:** The entire team is proactive and works diligently to move opportunities forward. They meet weekly (including the extended team, sales, actuarial and project managers) to go through every opportunity and identify red flags as early as possible. The structure ensures constant connection, important and productive conversation, action for the next phase and a continuous process of prioritization. "I tell the team, 'Have the difficult conversations when you need to have them. If the answer is "no," get to "no" quickly. Be upfront,'" says Olson.



**Transparency:** "There may be things we can't share with PAs because it would not be appropriate, just as there are things they cannot share with us for the same reason. Outside of those things, we are really focused on radical transparency," Olson says. "We want our Program Administrator partners to have confidence that we will be upfront and honest for the good of the effort on both sides. We respect our PAs very much. We value their time and we will not waste it. We're committed to being as transparent as we are able."

### ACCESS TO ZURICH'S DEEP RESOURCES



In addition to efficiency, Zurich's New Programs team has access to all of Zurich's deep resources and draws from specialists throughout the organization, including IT, Enterprise Architecture, Technical Underwriting, Predictive Analytics, Billing and Accounting, Compliance and Legal, Marketing, Premium Audit, Regulatory Services, Reinsurance, Statistical Coding and Reporting, Government Affairs and more. Olson notes, "We have access to all of the specialists that we need no matter what the opportunity. Because we are dedicated, we can bring all of the resources and expertise of Zurich to bear for the PA."

### TRANSITION FROM NEW PROGRAMS TO IMPLEMENTATION



It is important for PAs to understand the New Programs team is only there for the first two phases of the process. Once the product, pricing, underwriting, claims procedures, and all the technical work is complete, the team hands off to a Program Manager for implementation. Continuity is very important, so the New Programs team brings the Program Manager into the relationship as early as possible.

"Often a tight bond is formed between the PA and the New Programs team, which shows just how invested we all are," notes Olson.



Each new program opportunity is unique, so having the framework in place positions us to customize and adjust. We manage the process efficiently and that helps minimize the disruption to the business.

## The New Programs



**Denise Olson**  
Vice President, Head of New Programs

Denise Olson is the Head of the New Programs Team within the Programs business unit for Zurich North America.

Olson began her insurance career in 1991 with CNA in Chicago, where she priced a variety of business including excess and surplus lines programs, workers' compensation, large loss-sensitive business and professional liability.

She joined Zurich in 2003 as an assistant vice president responsible for pricing the Transportation Program business. During her time at Zurich, she has held positions in market-facing underwriting and actuarial pricing in various capacities. She was the Head of Product Development for North America for three years and most recently was the Head of the Underwriting Landscape Transformation.

Olson holds a Bachelor of Science in mathematics and actuarial science from the University of Nebraska–Lincoln. She obtained a fellowship in the Casualty Actuarial Society in 1999 and received her Chartered Property Casualty Underwriter (CPCU) designation in 2007.

Olson is active as a volunteer with the Casualty Actuarial Society and sits on the actuarial advisory board at the University of Nebraska–Lincoln. She has participated in three international mission trips to Central America and currently serves on the board of Table Grace Ministries, a not-for-profit dedicated to providing access to healthy food and community to nurturing bodies and souls.

Olson and her husband Chris are the proud parents of two college-age daughters and a 17-year-old son. She spends her free time playing golf, traveling and cooking.



**Suzanne Brauer**  
New Programs Business Lead

Suzanne Brauer is a career commercial underwriting professional who started with Farmers Insurance over 20 years ago as a commercial underwriter. She has held positions as a trainer, field sales and marketing representative, research and development manager, and finally, team leader for 20 states and six commercial products.

After Farmers, she ran an underwriting unit at a transportation insurance carrier, writing large interstate moving and storage businesses and helping the organization diversify by adding products and programs related to the industry, such as records management and warehousing.

She then joined an MGA, helping to purchase and bring on an admitted property carrier serviced by the agency staff. She went on to take a leadership role in the agency, where she partnered with six E&S carriers and three admitted carriers as a commercial wholesaler and an MGA.

She joined Zurich four years ago to help design and build the underwriting functionality on the Policy Center Platform. Last spring, she was brought into New Programs, following her passion for helping agents and brokers build their business.



**Daniel Gogolew**  
Vice President, New Programs

Daniel Gogolew is a career insurance professional who started with Chubb in the risk engineering field. He managed risk engineering on a territorial basis for Chubb and for Fireman's Fund. He transitioned to underwriting with Fireman's Fund and has since held underwriting and management roles with Fireman's Fund, TransGuard, Travelers, and Zurich, including technical underwriting for the auto and general liability lines of business. Daniel managed transportation in two organizations, headed up the select small business operation at Travelers and started the Midwest PACE (a small middle market operation) at Zurich before joining the Programs team.

Gogolew is a CPCU and has held designations of Certified Safety Professional, Certified Disaster Recovery Planner and Certified Fire Protection Specialist.

Gogolew is the proud parent of four daughters, who have all completed their education and are living happily and independently. He enjoys basketball, golf and woodworking, and has been a certified basketball official for 25 years.

### Leadership Announcement



**Todd Kaminski** has been named Head of Sales and Distribution for Alternative Markets, which includes four businesses in North America, Programs, Group Captives, Direct Markets and Crop. He will be responsible for sales strategy development, sales training and coaching, and sales talent acquisition, development and retention.

Todd joined Zurich in 1993 as a Direct Markets Account Executive and has held numerous key sales roles, including Head of Sales for Direct Markets. Since 2017, Todd has been the Vice President of Sales Practices for North America.

"Todd will continue to work closely with Ryan Whitney, Head of Sales for Programs & Rental, to bring sales effectiveness best practices to our Program Administrators. We're very excited to have Todd in this important leadership role for Alternative Markets!"  
- Greg Massey, Head of Zurich Programs



**Erin O'Grady**  
New Programs Underwriting Lead

Erin O'Grady is an attorney who began her insurance career with Zurich over 20 years ago as a Claims supervisor handling professional liability claims. O'Grady remained in claims for several years, expanding her experience to include the handling of construction, mass tort and general liability claims.

Following her tenure in Claims, O'Grady took a position within Zurich's Regulatory Affairs Department, advising business partners on multiple federal and state regulatory matters. She then served as Product Development Manager within Zurich Technical Underwriting, leading a team of product design professionals tasked with building/drafting product offerings for Zurich North America.

Having worked extensively with the Programs business unit during her time as Product Development Manager, O'Grady was excited to assume her current position, working closely with her colleagues to launch new programs business.

O'Grady holds a Bachelor of Arts in journalism from The University of Iowa and a Juris Doctor from The University of Iowa Law School. O'Grady and her husband Jack are the proud parents of two wonderful daughters, Faith and Maeve. She spends her free time traveling, reading, avidly watching her daughters' swimming and choral events, and taking long walks with the family's much-loved English bulldog, Betty.

# Zurich Skill Development

## Program Administrators take advantage of SKILL DEVELOPMENT AND LEARNING PROGRAMS FROM ZURICH

Zurich's Programs team provides a wide range of services to help Program Administrators achieve their objectives and grow their business. From sales coaching seminars and online learning resources for your team to a continuing education (CE) platform for your agent network, these educational opportunities can help you build a more knowledgeable, confident and assertive team.



### FOR YOUR TEAM

#### SALES COACHING

Zurich's on-site sales coaching seminars offer Program Administrator partners the opportunity to increase their teams' confidence and assertiveness, and help team members communicate more effectively to ultimately sell more profitable business.

Zurich's sales team works with each Program Administrator in advance to learn about their needs, interests, opportunities and challenges, then facilitates customized, interactive sessions with the PA team that include:

- Negotiation training
- Objection handling
- Value proposition-building
- Strategies for setting up appointments
- And more!

Sales skills are valuable far beyond the sales organization. Program Administrators take advantage of sales coaching sessions for underwriters, account managers, customer service representatives, marketing consultants and more. Almost every team member can benefit from negotiation, objection handling and value proposition coaching to build the mindset, dialogue and delivery techniques that make them more effective in their role.

#### What Program Administrators say about Zurich's sales coaching seminars

Steve Bristow, Senior Vice President, US Assure

We have done three sales coaching sessions with Todd Kaminski, Zurich Vice President, Sales and Performance Management. We started first with the value proposition session, which focuses on selling your brand. We quickly decided that session was worth our time, so we scheduled more time with Todd. The next time he went through overcoming objections and negotiation skills with our team. All our underwriters and outbound call representatives attended, as well as our marketing and leadership team. Then we decided to bring our customer service teams in for the last session.

The way Todd structured the sessions was so effective. We've done some form of sales training before, but these sessions were so much more interactive, and even those in the group who might have been reluctant to share were engaged because of the format and tone that Todd set. I also like that he spent some time learning about our business in preparation for the session.

We're seeing results from these sessions in many different forms. In team meetings, our teams are sharing examples of how they've handled specific situations. They are looking at new ways of closing calls, opening up the dialogue and seizing opportunities.

This effort has led to other initiatives as well. We started a book club and the entire team read about negotiation skills, then we all discussed it together. It led to an underwriting project – a blueprint of how to prepare for account meeting. Marketing has also listened in on each other's calls. So, we see the effect the training has had in a variety of ways in our organization. It was well worth our time!

Sarah Poppa, Assistant Vice President and Sales Manager at Lockton Affinity, LLC

Zurich brings real value to back up their strong brand. The sales coaching that their team provided was second to none.

It's easy sometimes to get so caught up in the job of selling that you forget what's important to the customer. What Zurich's sales coaching provided was a fresh perspective and a reminder of the importance of keeping the customer's wants/needs at the forefront of the discussion.

The training was fantastic! It brought a renewed energy to my sales team.

### ZURICH'S PROGRAMS LEARNING PORTAL

Zurich strives to provide continuous development opportunities that strengthen core competencies for your team. We invite our PA customers and their team to take advantage of Zurich's Programs Learning Portal, an online learning and development tool designed with our Program Administrators, in mind. Through participation in Zurich's training courses, you can ensure each team member's training experience is delivered in a consistent manner, every time!

#### Features of the training portal include:

- Easy navigation
- Consistent content delivered every time
- Access to completion metrics
- Bite-size learning modules
- Self-paced coursework

#### Users can:

- Browse the catalog to find information about all courses offered by Zurich Programs
- Self-enroll in any course
- Access resources, including helpful links and job aids
- Access support using the Frequently Asked Questions and Quick Start Guide, or contact us for more information

#### The Learning Portal covers topics such as compliance and underwriting, and includes courses such as:

- Conditional Renewal and Non-Renewals
- Schedule Rating for Workers' Compensation
- Trade and Economic Sanctions
- Flood 101
- Water Damage Mitigation Level 100

### FOR PRODUCERS

Zurich's Continuing Education platform offers Program Administrators the opportunity to demonstrate their industry knowledge and showcase their program(s) while providing a unique opportunity to attract new agents and deepen relationships with their existing producer network.

#### How it works:

- Program Administrators work with Zurich to identify a topic of interest to agents (ie: Water Mitigation, Workers' Compensation, etc.)
- CE sessions can be conducted at a Program Administrator's office or at another location
- Continuing Education seminars can be conducted up to 2x in one day
- CE seminars can be developed solely for the needs of one Program Administrator, or Program Administrators may participate in joint sessions

#### Program Administrator commitment:

- Provide a subject matter expert
- Invite agents and brokers

Networking opportunities are available before or after CE sessions for Program Administrators to promote their program and discuss new account opportunities with agents. Take advantage of Zurich's CE platform to engage more agents and expand your program footprint.



Sales coaching seminars, the Programs Learning Portal and Continuing Education seminars are just some of the ways Zurich delivers on its commitment to help Program Administrators grow their business.

**TALK TO YOUR ZURICH PROGRAM MANAGER TODAY ABOUT THESE VALUE-ADDED LEARNING OPPORTUNITIES.**

## WE SHARE YOUR PASSION FOR BUILDING SUCCESSFUL PROGRAMS.

When you're passionate about what you do and the industries you serve, you want an insurance provider that is just as passionate. Zurich has been committed to programs for more than 60 years, serving some of the most unique and specialized market segments. And because we understand programs, we can best help you protect the businesses you serve while helping you grow.

[zurichna.com/programs](http://zurichna.com/programs)



**ZURICH INSURANCE.  
FOR THOSE WHO TRULY LOVE THEIR BUSINESS.**

  
**ZURICH**<sup>®</sup>

# ACTING WITH URGENCY

Empower your team to act with purpose and determination

Do you feel like your team is running as fast as it can, but still frustrated they're not getting as far as they could? It might be because the team operates with anxiety rather than urgency. Pioneered by Harvard Business School Professor John Kotter in his seminal book, "A Sense of Urgency," the concept of urgency in business means you act with more strategic purpose, focus and determination.

Leaders who operate with urgency understand there is both opportunity to seize and risk to avoid, and they are engaged in doing something about that every day. Greg Massey, Head of Programs for Zurich North America, read Kotter's book while in graduate school, and the lessons stuck with him. "I think of urgency as acting with an impatience for results. I think motivating a team to be results-oriented is the primary task of any manager," he says.

## WHAT DOES IT MEAN TO ACT WITH A SENSE OF URGENCY?



Be proactive, not reactive



Have a deadline in mind



Anticipate customers' needs



Commit to setting goals



Identify new competitive threats



Help you improve customer retention

## URGENCY GIVES YOU THE AGILITY TO SUCCEED

The world is changing at an exponential rate, driven in large part by technology enabling a higher speed of processes and communications. Your business context changes, too, with new competitors and products entering the market and evolving customer needs. Acting with a sense of urgency by proactively responding to change enables your organization to stay ahead of the curve.

"Acting with a sense of urgency means we keep very focused on customer needs. Are we delivering as effectively as we can? Are we solving their problems? How can we be better? It's not necessarily about going faster," Massey explains. "Urgency helps you become more agile and nimble in responding, and to keep moving forward at a persistent pace. Without urgency, an organization may never be the first to market with a new product, or provide consumers with the solutions they need, when they need them."

Many organizations spend a significant amount of time on strategic planning, setting goals for three or five years in the future. "To achieve these longer-term goals, it's critical to break them down into shorter, more compact deadlines that get your team started and keep them moving toward achieving them," Massey says. "You can't wait until the end of the year to keep your strategic goals on task."

If an organization doesn't act with a sense of urgency, it could also find itself coming from behind and desperately trying to play catch-up, explains Bart Shachnow, Sales Performance Director for Zurich North America. "The competition today is relentless and aggressive. You don't want to find yourself in a situation where you are trying to win business over and over again because you have fallen behind on what's happening in the market or with your customer," Shachnow says. "A sense of urgency is really a risk management mindset, where you are protecting both your business and your customers."

Employees reap personal benefits from acting with a sense of urgency, too. They will acquire new mindsets and behaviors to help them throughout their career, including:

- Learning how to accomplish more by prioritizing and focusing their efforts
- Creating a skillset that will lead to promotions and management opportunities
- Feeling like a true contributor to the organization's strategic business goals
- Knowing how to work as a team member to achieve a specific goal

# ACTING WITH URGENCY

## CREATE THE MINDSET AND BEHAVIORS FOR URGENCY

Do some organizations have a natural tendency toward urgency? Not likely, explains Kotter in an interview with the Harvard Business Review. "Organizations have a general tendency to want to stabilize and just kind of stay there... So you have to understand its importance, you have to be dedicated to wanting to create it, because you see what it can do for you, for the organization, for society. And then you provide the leadership no matter where you are in the organization, to make it happen."<sup>1</sup>

"The best thing a leader can do to generate urgency is to create a culture where employees are empowered to make decisions," explains Massey. "When you create an environment where your team has the courage and confidence to make decisions, it leads to greater effectiveness. This also develops a deeper engagement among employees."

## HOW CAN YOU DEVELOP A SENSE OF URGENCY WITHIN YOUR ORGANIZATION?

- **Lead by example.** As a leader, you signal to your team which issues are most important by how you address them. If you have the same high-intensity reaction or emotional response to each issue, your team won't learn how to differentiate high-priority actions from those that can wait or are of lesser importance. Your managers set the tone for their teams as well, and they must understand the significance they put on certain initiatives will greatly impact where employees place their sense of urgency.
- **Be specific in communicating tasks.** Your employees' lack of urgency may reflect their misunderstanding of the issue and its priority. A leader or manager should be as clear and specific as possible in communicating to employees what is expected and encourage questions if they are unclear. Providing examples to employees of how to recognize and respond to customer complaints, competitor price changes or other situations that could affect the business performance, can help them understand the situations that require urgency.
- **Recognize employees who act with urgency.** Changing a team's sense of urgency will take time, and progress should be measured in small steps. Recognize team members who have responded with a sense of urgency in solving issues and moving a goal ahead. People like to feel they are contributing to an initiative's success. Design a performance or feedback system that communicates to employees how they have contributed by acting with urgency. This will motivate employees to continue acting with urgency toward the goal.
- **Create a tactical team when necessary.** There are times when a mission-critical goal needs a specialized group of people to fast-track results. Massey recommends developing "sprint teams" with five to nine people from different disciplines who are brought together for a limited time and charged with completing the goal in a tight time frame.
- **Manage with accountability.** Ask your team to commit to completing the goal with the highest level of quality by an agreed-upon date. Having a shared commitment among team members will forge a strong bond and provide a sense of support among each member. They'll encourage each other to make sure the goal is achieved.

EMPLOYEES REAP PERSONAL BENEFITS FROM ACTING WITH A SENSE OF URGENCY, TOO. They will acquire new mindsets and behaviors to help them throughout their career, including:



**CREATING A SKILLSET** THAT WILL LEAD TO PROMOTIONS AND MANAGEMENT OPPORTUNITIES



**FEELING LIKE A TRUE CONTRIBUTOR** TO THE ORGANIZATION'S STRATEGIC BUSINESS GOALS



**LEARNING HOW TO ACCOMPLISH MORE BY** PRIORITIZING AND FOCUSING THEIR EFFORTS



**KNOWING HOW TO WORK AS A TEAM MEMBER** TO ACHIEVE A SPECIFIC GOAL

## Acting with Urgency *Continued*

### ACTING WITH URGENCY: HELPING HOMEOWNERS IN HURRICANE-PRONE AREAS

Launching a new product in any large organization requires coordination across several different internal departments, including external partners in many cases. Typically, new product development can take anywhere from 12 to 24 months. So how did Zurich bring a new program from inception to market in less than six months?

"We set an aggressive goal for ourselves in November 2018 to get a hurricane deductible buy-back program launched in Florida by the start of hurricane season on June 1, 2019," explains Todd Klostermann, Program Manager in Zurich's Alternative Markets. The sense of urgency for this program was in response to a clear market need: Many homeowners in hurricane-prone Florida were unaware they can have a significant deductible on their homeowners policy for hurricane damage. For example, a homeowner with a home valued at \$500,000 and a 5% hurricane deductible would need to pay \$25,000 out of pocket for the hurricane deductible when filing a claim. Zurich's new program would cover 100% of the hurricane deductible, generally about 1% to 5% of a home's value.

"We needed to determine a go or no-go decision by end of 2018 to meet the June 1 deadline. The only way to achieve this timeline was to operate as one solutions-focused team, instead of seven different departments that hand things off to one another," Klostermann says.

The kickoff meeting began with the leadership of each department dedicating key resources over the first few weeks to focus on contract terms. "The entire team had a true sense of urgency because we believed we had a tremendous opportunity to make a difference for homeowners in Florida," Klostermann explains. "There was a real sense of ownership in this project, and everyone felt they could contribute to making it a success."

The result? A contract that typically might have taken three months to complete was finished in just four weeks. By December 21, the term sheet was completed and the work was started to develop a new submissions form. Klostermann says the team that creates forms was assigned to other priority projects, so the manager did the work himself in less than 24 hours. "That shows how committed he was to the team and delivering on the timeline that was promised." Klostermann notes.

Named Cat4Home, the new supplemental insurance policy launched in June and provides a much-needed solution for residential homeowners in Florida.

"The response has been overwhelming to this new product. All of us on the team take tremendous pride and satisfaction. We're delivering this extra level of financial protection for the 2019 hurricane season and beyond," Klostermann adds.

Massey says the Cat4Home project is an example for any organization of how a sense of urgency can bring out the best in its people.

"The team adopted a customer-first mindset. They identified the opportunity and acted with agility to bring the product to life in a very short period. They knew exactly what success looked like and didn't waver in their commitment to making it happen." Massey says.

1. "The Importance of Urgency." Harvard Business Review. Accessed 1 August 2019. <https://hbr.org/2008/08/harvard-business-ideacast-106.html>



URGENCY IS COMING TO WORK EVERY DAY WITH A COMMITMENT TO MAKING SOMETHING HAPPEN FOR THE ORGANIZATION'S TOP STRATEGIC PRIORITIES



## A GROWING MENU OF PROGRAMS AND AN APPETITE FOR EXPANSION.

For over 60 years, achieving success in writing some of the industry's most unique risks has made us an industry leader. And we're looking to grow.

Our appetite is broad. We are not capacity-constrained. There are few lines of business or industries we won't write. We focus on niche businesses. We write misunderstood or underserved markets. We have the capacity and dedicated team to write new programs of almost any appetite.

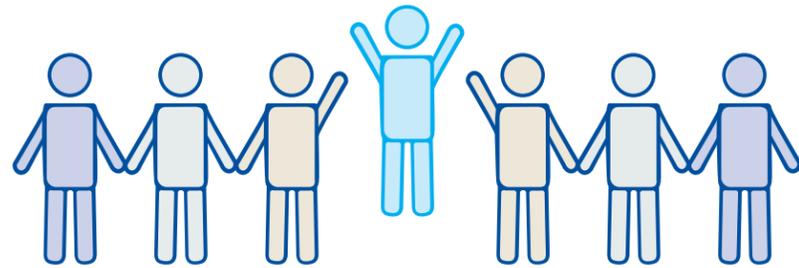
Discuss your program opportunities with Zurich today. [zurichna.com/programs](http://zurichna.com/programs)

ZURICH INSURANCE.  
FOR THOSE WHO TRULY LOVE THEIR BUSINESS.



# THE HUMAN CONNECTION

Why diversity and inclusion matter to your people and your business



Every company seeks to be an attractive workplace to join, creating an environment where people are engaged and productive. A good salary, steady raises and regular promotions are no longer enough to attract and retain top talent. Today's employees seek a culture where they are treated as individuals and valued for their unique perspectives and contributions. Increasingly, companies that demonstrate a strong commitment to diversity and inclusion outperform competitors in talent attraction and retention, employee decision-making and satisfaction, and financial results.

According to a Bersin by Deloitte research study<sup>1</sup> of more than 450 organizations worldwide, companies that embrace diversity and inclusion programs in their cultures experience a higher level of performance:

**3.6X MORE ABLE TO DEAL WITH PERSONNEL PERFORMANCE PROBLEMS**

**2.3X HIGHER CASH FLOW PER EMPLOYEE OVER A THREE-YEAR PERIOD**

**1.7X MORE LIKELY TO BE INNOVATION LEADERS IN THEIR MARKET**

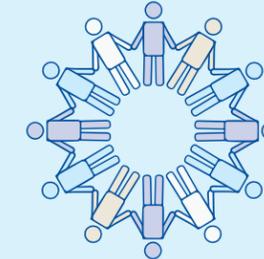
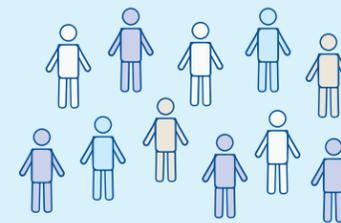
**3.8X MORE LIKELY TO BE ABLE TO COACH PEOPLE FOR IMPROVED PERFORMANCE**

**2.9X MORE LIKELY TO IDENTIFY AND BUILD LEADERS**

A diverse workforce is also likely to be more reflective of your customer base, which can result in improved service as well as the development of new products and services to meet the needs of your various target demographics.

## HOW DO DIVERSITY AND INCLUSION DIFFER IN PRACTICE?

The difference between diversity and inclusion, and how they play out in the organization, may not be immediately clear to someone outside HR. Here's how to delineate between the two related, but separate, approaches:



**Diversity** is a person's visible differences, such as age, gender, ethnicity, physical appearance and disability, as well as non-visible differences in thinking, personality, religion, sexual orientation, knowledge and education. Workplace diversity accepts and values these differences.

**Inclusion** is the employee experience of feeling valued, respected and empowered to contribute to the business. Workplace inclusion creates an environment of belonging and collaboration that increases participation and contribution by all employees.

One way to think about diversity is the act of hiring for and creating a team with a variety of differences. Inclusion then becomes the daily behaviors and actions that make an employee feel valued in their contributions. Diversity efforts are more easily tracked through reporting on hiring, composition of workforce and other data. Fostering an inclusive culture requires developing intentional behaviors each day, which takes leadership commitment and modeling of these desired behaviors among staff.



## "AM I BEING INCLUSIVE?"

It's a question that every leader, manager and employee needs to ask themselves as they seek to make inclusion part of the day-to-day culture. Here are some questions to check your own actions:

- Am I intentionally getting to know my colleagues on a more personal level?
- Do I let someone else run staff meetings?
- Have I called on someone who usually doesn't speak up in meetings to ask for their input?
- Do I ask people for an opposing or differing view of the situation?
- Am I willing to spend time exploring ideas that I don't initially agree with?



### INCLUSION STARTS WITH HUMAN CONNECTIONS

In a study by Catalyst, a non-profit focused on creating more inclusive workplaces, employees indicated that personal connections with team members and colleagues were the most defining experience of inclusion within their organization.<sup>2</sup> Strong personal relationships were considered to be respectful, collaborative and transparent in their communication styles.

Employees in the study reported feeling included when they experienced both of the following:

- **A sense of uniqueness**, where they were recognized and valued for their individual contributions
- **A sense of belonging**, where they were welcomed as part of their team and among colleagues

Feeling valued for uniqueness and having a sense of belonging nurtures employees to behave in more team-oriented and innovative ways. When an employee feels empowered, they are more confident in bringing new ideas to light. They collaborate more successfully and are more productive.

Daniel Kedish, Zurich North America's Diversity and Inclusion Senior Consultant, explains the organization's strategy is to be an employer of the best talent, and diversity and inclusion initiatives are critical to achieving this goal.

"We know that our business and customers benefit from having employees of different background, experiences and perspectives," says Kedish. "We strive to be a place where everyone can see a good part of themselves reflected in their environment." He adds that increasingly, candidates ask about support for diversity and inclusion practices during recruitment. "It's a real differentiator," he notes.



### A DIVERSE AND CONNECTED WORKFORCE IS YOUR GROWTH ENGINE

The business world is always changing and increasingly complex. Adopting new technologies and developing innovative products and services are strategic priorities for any organization. But growth through these methods can't happen without an engaged and agile workforce. Developing a diverse talent base that feels included will energize your organization and improve its results.

#### How do you start building a strategy of diversity and inclusion?

-  Show commitment starting at the top. The messages and actions from executives and managers set the tone for the entire organization.
-  Consider assigning a top executive to sponsor the diversity and inclusion program, even if it is managed by the HR team.
-  Create a company narrative that explains why diversity and inclusion need to be embedded within the organization, and why they require everyone's participation. Share it with all employees and post it on your website or other company communication channels.
-  Develop measures to track diversity in recruiting and promotion, as well as employee perception and experience of inclusion, and share results throughout the organization.
-  Support your teams in achieving diversity and inclusion goals with resources, including outside consultants and management tools.
-  Integrate diversity and inclusion strategies in recruitment, performance reviews, leadership assessment and employee training.
-  Nurture an open environment that welcomes and seeks out different voices, opinions and perspectives.
-  Ensure conflict resolution processes are collaborative.
-  Hold everyone accountable for results.



### LEADERSHIP FOCUS AND COMMITMENT

In a 2018 study of 100 top global companies by Thomson Reuters, the consulting giant Accenture took the top spot in the Diversity and Inclusion Index.<sup>3</sup> Managing these efforts takes a strategic focus and commitment by Accenture's leadership.<sup>4</sup>

- Establishing a diverse board of directors across geographies and genders
- Setting a goal of having women represent 50% of its workforce by 2025 (up from 41%)<sup>4</sup>
- Being transparent by publishing its workforce data, including data related to gender, ethnicity, persons with disabilities and veterans
- Creating an employee movement and platform #inclusionstartswithl

## Zurich Connection Continued

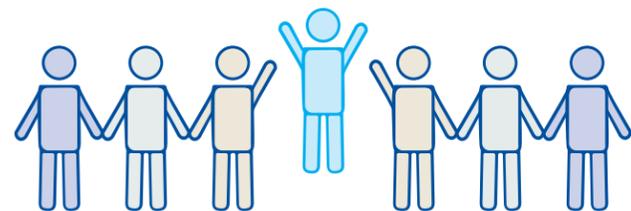
Zurich's Kedish explains that when he helps guide the company's leaders and managers in creating a more inclusive culture, he reminds them it's the conscious, daily actions that make a difference.

"It's reminding yourself that everyone has something to contribute, and as a team leader, you can create a healthy dynamic where your employees can challenge assumptions you are making and feel free to speak up," Kedish says.

One successful tactic Zurich uses is encouraging employees to take an annual inclusion pledge, where they commit to getting to know their colleagues and invite them to contribute to important conversations. "When we measured the effects of our diversity and inclusion efforts among employees, we were thrilled to see that 84% felt more strongly connected to Zurich because of these programs," Kedish explains.

Most importantly, it's clear that a company focused on diversity and inclusion creates a culture of respect. This is invaluable in terms of sharing ideas, understanding different internal and external perspectives, and creating innovative products and services. According to Kedish, "We've seen clearly that embedding a variety of perspectives and viewpoints into teams impacts business outcomes from talent attraction and retention to our relationships with customers and distributors."

1. Bersin, Josh. "Why Diversity and Inclusion Has Become a Business Priority." JoshBersin.com. 7 December 2015, updated 16 March 2019. <https://joshbersin.com/2015/12/why-diversity-and-inclusion-will-be-a-top-priority-for-2016/>
2. Nugent, Julie S., Aliandra Pollack, and Dnika J. Travis. *The Day-to-Day Experiences of Workplace Inclusion and Exclusion*. New York: Catalyst, 2016.
3. "Thomson Reuters D&I Index Ranks the 2018 Top 100 Most Diverse & Inclusive Organizations Globally." Thomson Reuters. 6 September 2018. <https://www.thomsonreuters.com/en/press-releases/2018/september/thomson-reuters-di-index-ranks-the-2018-top-100-most-diverse-and-inclusive-organizations-globally.html>
4. "Accenture Ranks No. 1 on Thomson Reuters Index of World's Most Diverse and Inclusive Companies." Accenture press release. 6 September 2018. <https://newsroom.accenture.com/news/accenture-ranks-no-1-on-thomson-reuters-index-of-worlds-most-diverse-and-inclusive-companies.htm>
5. "The Best Employers For Diversity Forbes." 15 January 2019. <https://www.forbes.com/lists/best-employers-diversity/#b6e75f664686>



**FOR THE SECOND YEAR  
IN A ROW, ZURICH  
INSURANCE GROUP HAS  
BEEN NAMED TO A LIST  
OF "AMERICA'S BEST  
EMPLOYERS FOR  
DIVERSITY" BY  
FORBES MAGAZINE.<sup>5</sup>**

The rankings are based on a survey of more than 30,000 employees and an examination of employer diversity policies, as well as diversity in executive roles and on boards.



# IT'S TIME TO CELEBRATE.

2019 marks the 10th anniversary of Zurich's online portal, ZProgramsMatch! Since its launch in 2009, this powerful lead-generation tool has introduced more than 31,500 agents to Zurich's programs and generated over 72,000 new business opportunities for our Program Administrators.

*And it keeps getting better!*

Join the many Program Administrators who grow their bottom line with the power of ZProgramsMatch.

[zprogramsmatch.com](https://zprogramsmatch.com)



ZProgramsMatch

**ZURICH INSURANCE.  
FOR THOSE WHO TRULY LOVE THEIR BUSINESS.**



Focus on innovation leads to

# LAUNCH OF DOVETAIL WORKERS' COMPENSATION PROGRAM

Zurich Programs is excited to announce the launch of the Dovetail Workers' Compensation Program. This is Zurich North America's first digital portfolio providing workers' compensation coverage to the small-to-medium enterprise (SME) space, including companies with up to 50 employees, up to \$2 million in revenue and average premium account under \$5,000.

Dovetail is a subsidiary of Victor Insurance Holdings, the underwriting managing unit of brokerage firm Marsh & McLennan Companies. Zurich started working with Dovetail thanks to the strong relationship it has with Marsh, an international, strategic broker.

"Marsh, like Zurich, is deeply committed to innovation as a way to create winning solutions for the customer," shares Broker Relationship Leader Andy Peterson. "After strategic discussions with John Drzik, President of Marsh Global Risk and Digital, it was clear that there was great potential to maximize each other's strengths and capabilities to grow in the SME marketplace."

Based in Columbia, South Carolina, Dovetail has an advanced cloud-based technology platform that enables independent retail agents, on behalf of SME customers, to obtain online quotes from select insurance providers and bind insurance policies in real time.

The process enables retail agents to deliver faster, better service and an expanded product selection, while giving insurance providers access to a state-of-the-art platform for distributing their products.

 This win demonstrates our focus on innovation and what happens when we combine our experience and capabilities with the right partner to fill a gap in the market. 

- Greg Massey, Head of Programs for Zurich North America

## Zurich Programs *Continued*

“Zurich learned that Dovetail’s vision was to expand its current offerings and was looking for an insurance provider to serve as its first national anchor carrier for workers’ compensation coverage to the SME space,” says Zurich’s Alternative Markets Program Lead for Dovetail Eric Roesch. “Our expertise in workers’ compensation, combined with Dovetail’s digital platform, made this an attractive opportunity to support our strategic objectives and growth aspirations.”

The steps needed to launch the program would prove no small feat. The SME marketplace for workers’ compensation was a new space for Zurich North America and would require a team of colleagues collaborating and embracing new, innovative ideas to effectively go to market.

“To launch this new program, we needed to build a new workers’ compensation model that could also be housed on a third-party system outside our traditional in-house system,” says Roesch.

Starting from scratch, Zurich’s Predictive Analytics team quickly partnered with a data vendor to help build the data set (e.g., policy and claims information) for the predictive model based on the defined SME market segment.

At the same time, Workers’ Compensation teams from Programs and Technical Underwriting collaborated to define the program appetite, underwriting guidelines and authorities for the program, and worked with the vendor to develop a customized predictive model within six weeks. The team put together a pricing and risk selection model in a very short period of time.

As the team worked to craft a predictive model, Zurich’s IT and Enterprise Architecture teams developed a real-time scoring engine to house the model. Zurich’s Head of Predictive Analytics Peter Hahn says, “From an innovation standpoint, there are numerous insurtech companies in the marketplace striving to digitize SME insurance in a similar way. Now Zurich has done it.”

IT Services was instrumental in developing an automated nightly batch process that feeds policy data from Dovetail’s online platform to Zurich’s booking and statistical reporting system for policy reporting, ensuring the launch of the program was a success for both Zurich and Dovetail. “In the Programs space, this is traditionally an spreadsheet-based process done on a monthly basis,” says Roesch. “But given the regulatory requirements for workers’ compensation, we needed a solution for daily policy reporting. Not only did Zurich make it happen, it is a new foundational capability.”

In addition to Predictive Analytics, Technical Underwriting and IT Services, Zurich brought in Regulatory Services, Compliance, Statistical Coding and Reporting, and Premium Audit to work through issues pertaining to contract review, service fees, state filings, sanctions checks, complaint handling and premium audit processes.

“One has to look no further than the launch of the new Dovetail program to see our behaviors in action,” says Greg Massey Head of Programs for Zurich North America. “Collaborating together, fueling innovation and making it happen were key to this win and will be key to how we’ll continue to grow and lead in the Programs space.”

From an innovation standpoint, there are numerous insurtech companies in the marketplace striving to digitize SME insurance in a similar way. Now Zurich has done it.

- Peter Hahn, Zurich Head of Predictive Analytics



For this program, we needed a new solution to allow for daily policy reporting. Not only did Zurich make it happen, it is a new foundational capability.

- Eric Roesch, Zurich Alternative Markets Lead

## Zurich's Film Production Program

# Zurich's FILM PRODUCTION PROGRAM

Disciplined program management, demonstrated success



Zurich and Program Administrator, Abacus, started writing the Film Production program together in 2005, and the program has been a consistent top performer ever since. The program offers coverage for a wide range of film production risks, from short-term productions and annual documentary, industrial, education and commercial films nationwide for television, to film producers, student filmmakers and production companies. Coverage includes General Liability, Inland Marine, Non-Owned/Hired Auto Liability and Workers’ Compensation.

Zurich Program Manager Brian O’Neill recently presented Abacus with Zurich’s 2018 Award of Distinction for their strong performance in GWP, underwriting quality and compliance achievements.

“The success of the program can be attributed to Abacus’ and Zurich’s deep commitment to underwriting quality, strong financial performance and a strong relationship in which each values the other,” O’Neill says.

“The Abacus team is very sophisticated. The amount of policies they write is astronomical. Their automated system allows the efficiency that gives them scale. It is really impressive!”

Darren Lewin, Vice President - Programs for Abacus, says, “When we first discussed the program with Zurich, there were synergies in the way we both wanted to offer the program. Zurich was able to provide all lines of coverage, which we didn’t have previously, and we were able to operate in a completely online environment. The more efficient we can be, the better, because it allows producers to focus on sales.”

Both Abacus and Zurich continue to look for ways to expand profitably. “When a program demonstrates the kind of success that we see with Abacus, we want to find more ways to grow together and write more business,” O’Neill says. “The strong relationship and the success of the program translate to a mutual desire to explore opportunities and find ways to write new programs.”

Zurich celebrates the  
**BEST OF THE BEST**  
 with the *Program Administrator Award of Distinction*

The Zurich Programs Award of Distinction honors top-performing Program Administrators who meet required profit, GWP, loss ratio, financial, underwriting and compliance award criteria.

The 2018 Zurich Programs Award of Distinction winners are:

PINNACLE	PLATINUM	GOLD
<ul style="list-style-type: none"> <li><b>Arrowhead Catastrophe (CAT) Excess &amp; Surplus (E&amp;S):</b> Coverage for damage to buildings from perils not covered by property/insurance such as earthquake and flood</li> </ul>	<ul style="list-style-type: none"> <li><b>Abacus:</b> Coverage for U.S. short-term film productions</li> <li><b>Arrowhead CAT E&amp;S</b></li> </ul>	<ul style="list-style-type: none"> <li><b>Deans &amp; Homer:</b> Property E&amp;S and CAT coverage for commercial building owners, family rental dwellings, self-storage facilities and renters insurance</li> <li><b>US Assure:</b> Builders Risk coverage for commercial and residential construction</li> </ul>

The award has two tiers, Gold and Platinum, with increased thresholds in the Platinum tier. The program also includes a Pinnacle award for best results in the Platinum tier. This award is presented to one program only and is determined by top achievement in gross written premium (GWP) growth, loss ratio (LR) results and the quality of underwriting, compliance and financial review.

2019 PROGRAM CRITERIA

GOLD Award – Tier One	PLATINUM Award – Tier Two
<ol style="list-style-type: none"> <li>Meet GWP plan for the year</li> <li>Meet LR plan for the year</li> <li>Underwriting review – effective</li> <li>Compliance review (if applicable) needs improvement with low-impact (minimal) recommendations</li> <li>Financial review – effective</li> <li>Profitability target met or exceeded</li> </ol>	<ol style="list-style-type: none"> <li>Exceed plan GWP by 5% or more</li> <li>LR below plan by 1.5 points or more</li> <li>Underwriting review – effective</li> <li>Compliance review (if applicable) – effective</li> <li>Financial review – effective</li> <li>Profitability target met or exceeded</li> </ol>

“It’s phenomenal that Arrowhead CAT E&S has achieved the Pinnacle award this year,” says Zurich North America’s Head of Programs Greg Massey. “This is a testament to the drive and passion of Arrowhead and our team to build successful programs that achieve our long-term growth aspirations.”



Several Zurich Program Managers were honored with the 2018 David Banks Award of Distinction\* for their management and support of the top-performing Program Administrators:

- **Steve Chochon** Deans & Homer
- **Cindy Collins** Arrowhead CAT E&S
- **Brian O’Neill** Abacus
- **Kevin Schlueter** US Assure



(From left: Zurich Program Managers Brian O’Neill, Steve Chochon, Cindy Collins, Kevin Schlueter)

\*The employee award is named in honor of the distinguished career of Zurich Programs Executive Vice President David Banks, who retired in 2018.



## UNDERWRITER'S CORNER

HELPFUL TIPS AND TOOLS TO SHARE  
WITH YOUR UNDERWRITING TEAM

### DID YOU KNOW?

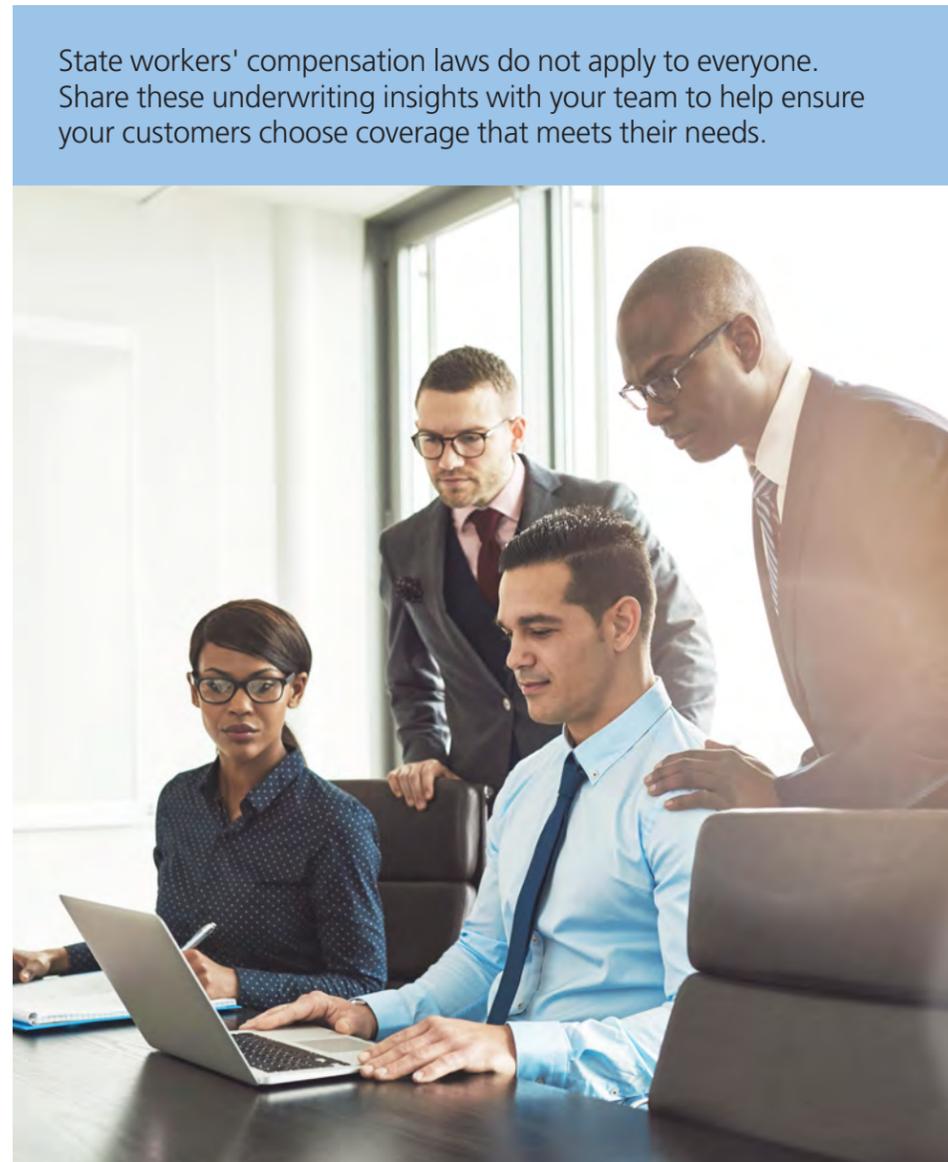
State workers' compensation laws apply to the majority of employed individuals, but not to everyone. Most laws have exceptions. Some rules apply to certain classes of employed persons, but not to others, such as independent contractors, agricultural and farm workers, domestic workers and people employed on a casual basis. Some laws also exclude members of the clergy, taxi drivers and certain salespeople.

To provide coverage to those employees who would normally be excluded from workers' compensation laws, the Voluntary Compensation endorsement can be added to a company's workers' compensation policy. This endorsement obligates the insurance company to pay on behalf of the insured an amount equal to the benefits that would have been provided if those listed on the endorsement schedule were subject to the state's workers' compensation statute.

To qualify, a worker must be an employee as that term is defined by each state's workers' compensation law. States have different definitions and treat situation differently. As an example, a workers' compensation law for a given state must be reviewed carefully to determine if a volunteer qualifies for coverage. Not all volunteer workers are treated the same, and some states do not permit workers' compensation insurance to cover volunteer workers.

When considering the Voluntary Workers' Compensation endorsement, determine the intent of the coverage and which forms will be needed. Talk to customers; discuss their needs and the various uses of the endorsement to ensure you are offering the right coverage.

Contact your Zurich Program Manager if your team has questions about the Voluntary Workers' Compensation endorsement, applicable laws or whether classes of employees are covered.



State workers' compensation laws do not apply to everyone. Share these underwriting insights with your team to help ensure your customers choose coverage that meets their needs.

# WE ARE PASSIONATE ABOUT WORKING TOWARD A BRIGHTER FUTURE.

Zurich is committed to supporting the communities where we live and work.

[zurichna.com/  
community](https://zurichna.com/community)



**ZURICH INSURANCE.**  
**FOR THOSE WHO TRULY LOVE THEIR BUSINESS.**





**Zurich**

1299 Zurich Way, Schaumburg, Illinois 60196-1056  
800 382 2150 [www.zurichna.com](http://www.zurichna.com)

---

The information in this publication was compiled from sources believed to be reliable for informational purposes only. All sample policies and procedures herein should serve as a guideline, which you can use to create your own policies and procedures. We trust that you will customize these samples to reflect your own operations and believe that these samples may serve as a helpful platform for this endeavor. Any and all information contained herein is not intended to constitute advice (particularly not legal advice). Accordingly, persons requiring advice should consult independent advisors when developing programs and policies. We do not guarantee the accuracy of this information or any results and further assume no liability in connection with this publication and sample policies and procedures, including any information, methods or safety suggestions contained herein. We undertake no obligation to publicly update or revise any of this information, whether to reflect new information, future developments, events or circumstances or otherwise. Moreover, Zurich reminds you that this cannot be assumed to contain every acceptable safety and compliance procedure or that additional procedures might not be appropriate under the circumstances. The subject matter of this publication is not tied to any specific insurance product nor will adopting these policies and procedures ensure coverage under any insurance policy.

©2019 Zurich American Insurance Company

A1-112013521- A (09/19) 112013521

