Ethical Communications

June 18, 2013

Goals for Today

- What is Risk?
- What is Risk Management?
- Learn something about Ethics
- Discuss how to better communicate with our clients
- Obtain 3 Continuing Education/Ethics Credits
- Have Fun!

STRATEGIC RISK ADVISORS

Who am I?

- David Adler, ARM
  - President - Strategic Risk Advisors
  - Senior Advisor – Hanover Stone Partners
  - Treasurer – Spencer Educational Foundation, Inc.
- Practicing Risk Manager – over 35 years
- Education
  - MBA – Risk Management & Insurance – Georgia State
  - BBA – Finance – University of Georgia
  - ARM – Insurance Institute of America

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What is Risk?

- Risk = Uncertainty
- Pure Risk = Risk of Loss or No Loss
- Speculative Risk = Potential for Gain or Loss
  - Lottery
  - Business Risk

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What is Risk Management?

- World's Oldest Profession

  When you build a new house, you must place a guard-rail (parapet) around your roof. Do not allow a dangerous situation to remain in your house, since someone can fall [from an unenclosed roof and bring blood upon thy house].

  Deuteronomy 22:8

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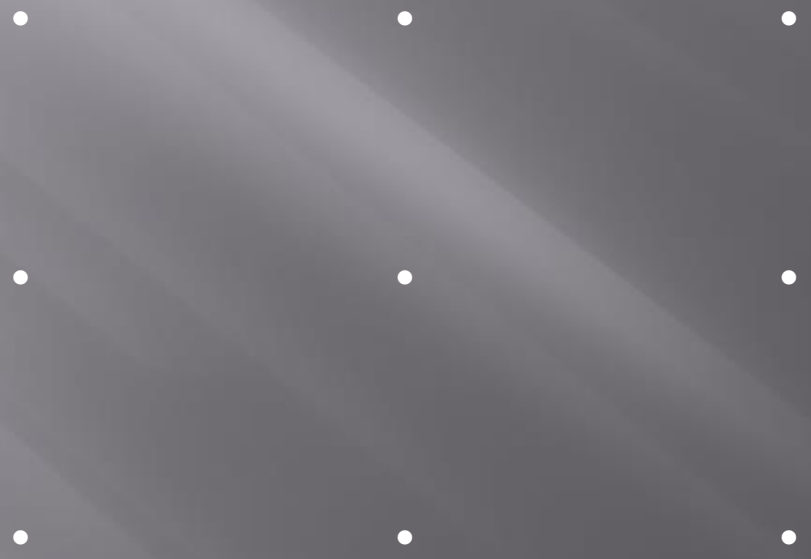
Risk Management Aptitude Test



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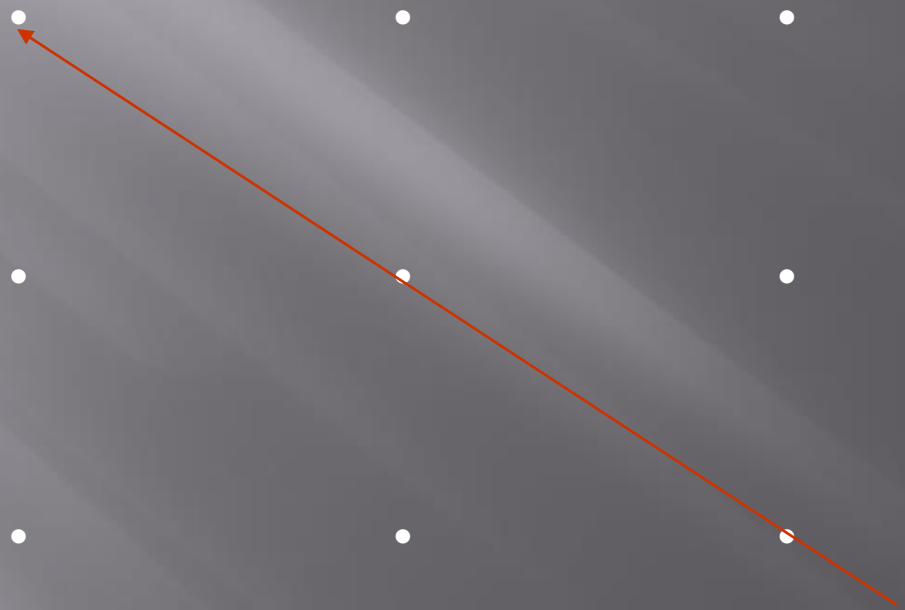
Risk Management Aptitude Test



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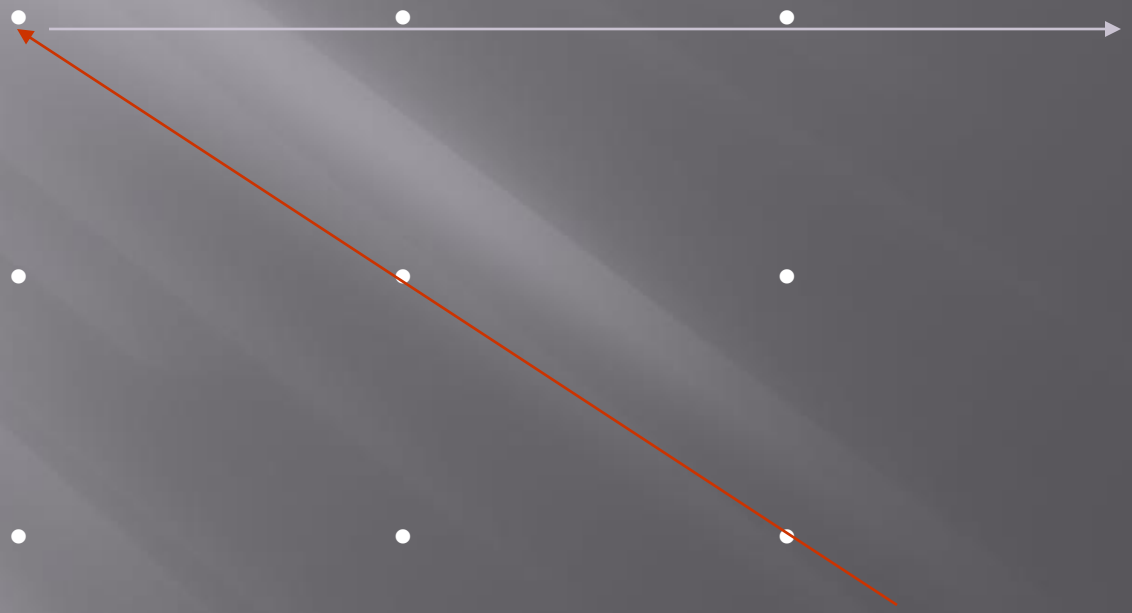

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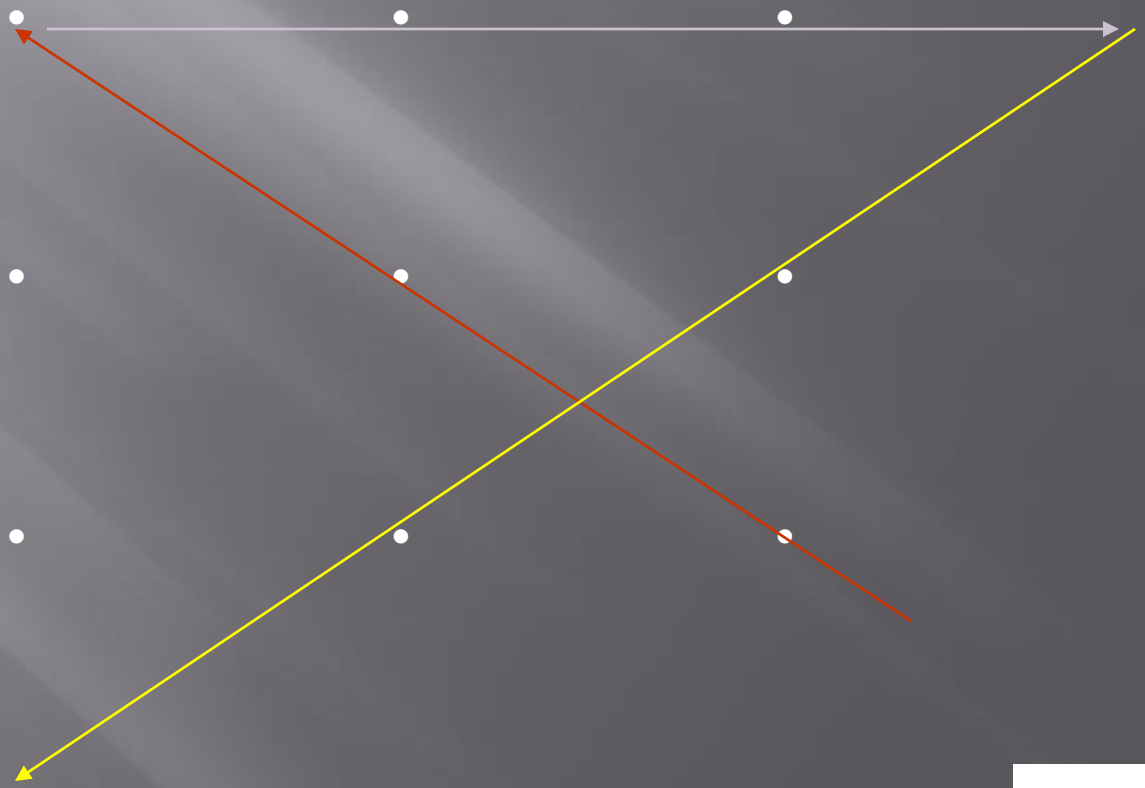

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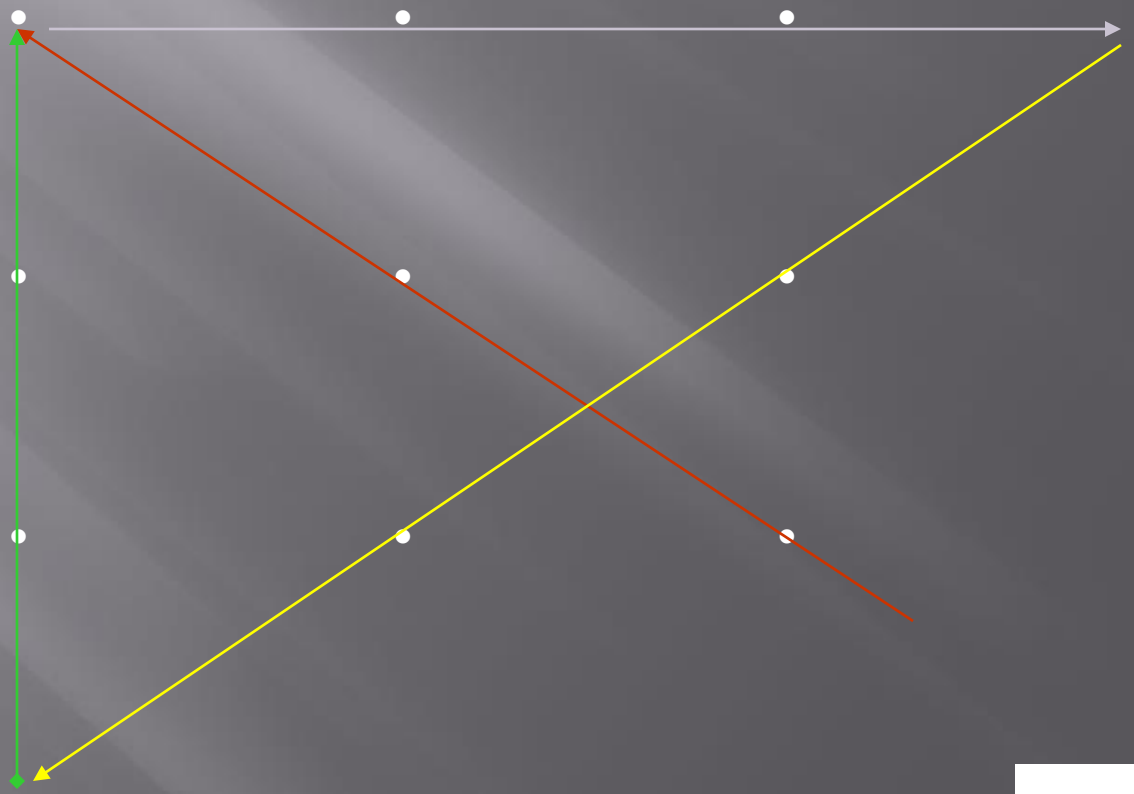

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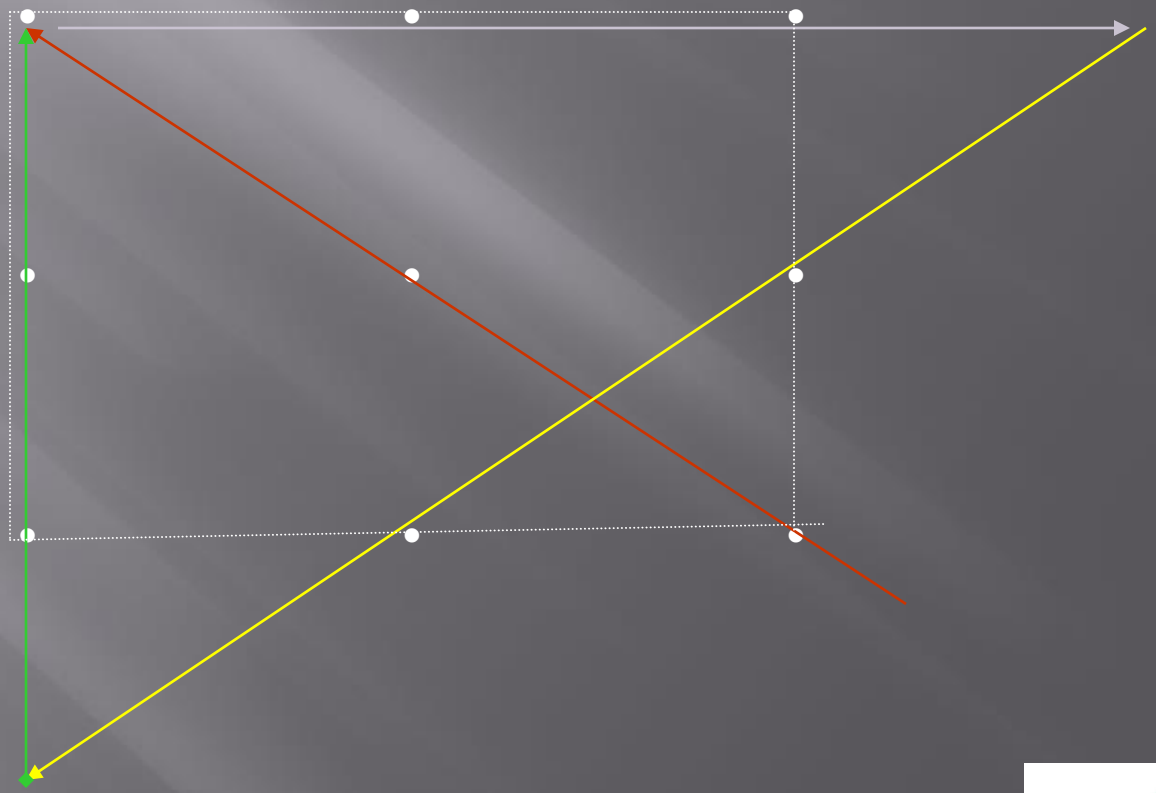

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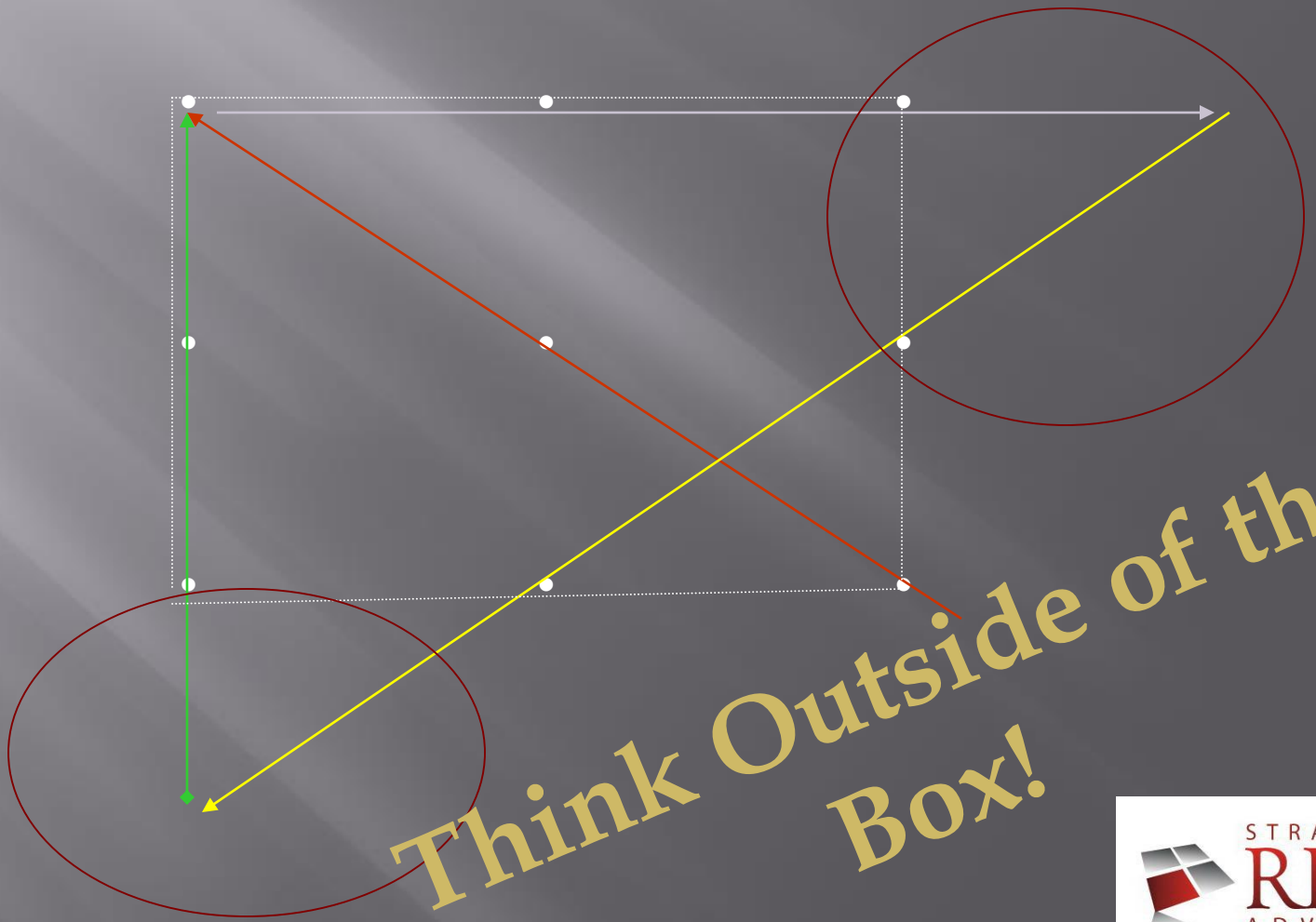

Think Outside of the Box!

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What is Risk Management?

- Evolution from Insurance Buyer
  - Insurance Buyer
  - Insurance Manager
  - Risk Manager

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What is Risk Management

- Risk Management Process
  - Identification
  - Evaluation
    - Critical
    - Important
    - Unimportant
  - Alternatives
  - Implementation
  - Re-evaluation and Review

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What is Risk Management

- Risk Management Alternatives/Tools
  - Transfer (Contractual)
  - Insure
  - Assume
  - Retain
  - Avoid

Don't tell me why I can not do something –
Tell me how I can!

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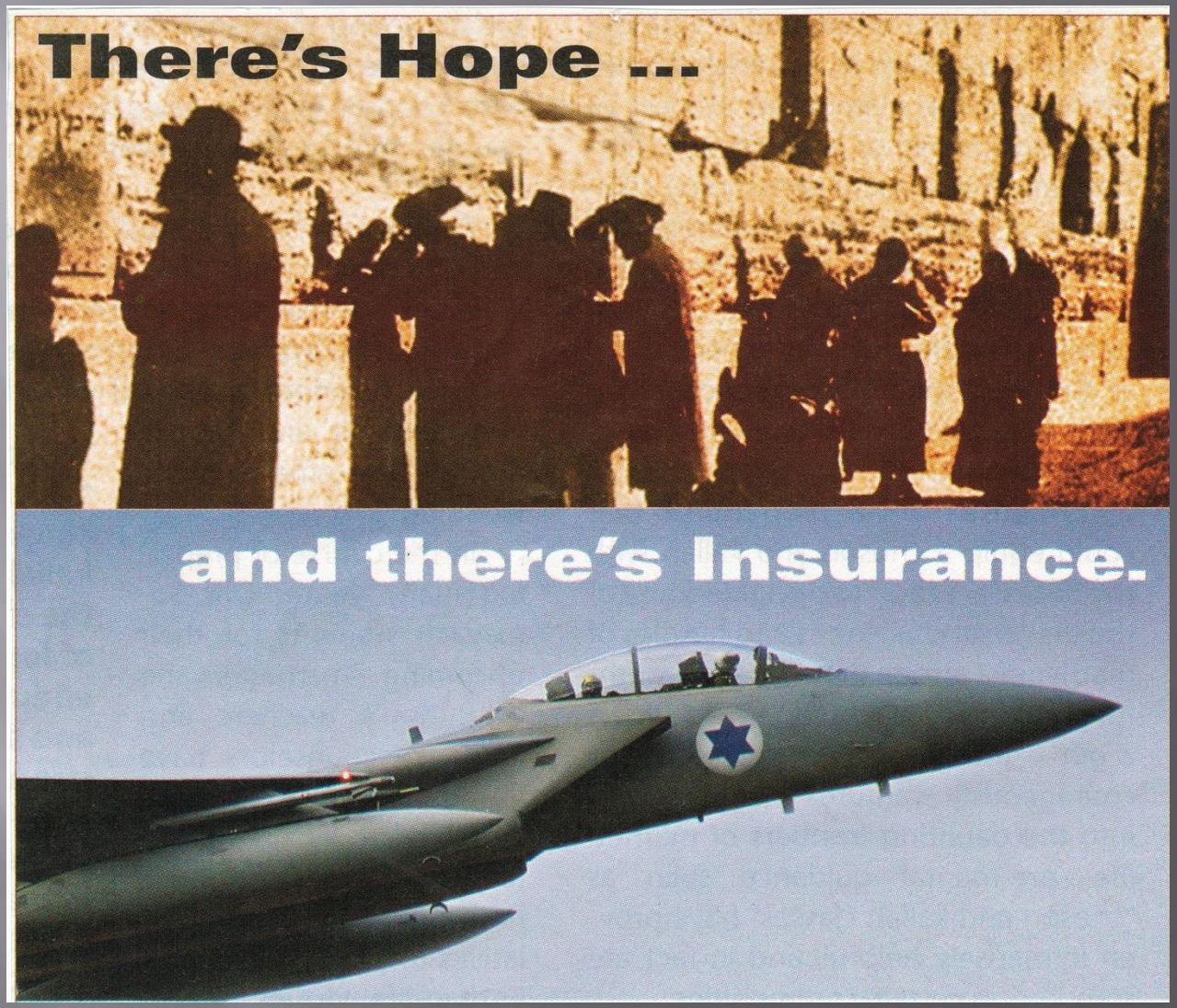

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What is Risk Management

- Risk Management is

  The Specialty of Being a Generalist

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What is Ethics?

Definitions of Ethics

- Ethics is a branch of philosophy known as “Moral Philosophy” and involves systematizing, defending, and recommending concepts of right and wrong conduct.
- From the Greek word “Ethos” which means “character”
- Rational, optimal and appropriate decision brought on the basis of common sense.

Wikipedia -

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What is Ethics?

Definitions of Ethics

- The decisions, choices, and actions (behaviors) we make that reflect and enact our values.
- The study of what we consider to be good and right behavior and how to make those judgments.
- A set of standards of conduct that guide decisions and actions based on duties derived from core values.

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What is Ethics?

More Definitions:

- The discipline dealing with what is good and bad and with moral duty and obligation
- A set of moral principles or values
- A theory or system of moral values
- A guiding philosophy

Ethics Resource Center

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Morals & Values

Definition of Morals

- Values that we attribute to a system of beliefs that help the individual define right versus wrong, good versus bad.
- Typically get their authority from something outside the individual - higher being or authority

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Morals & Values

Definition of Values

- The core beliefs we hold regarding what is right and fair in terms of our actions and our interactions with others.
- What an individual believes to be of worth and importance to their life (valuable)

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Agent versus Broker

- Who do you represent (legal agency)
- Fiduciary Responsibility
- Professional Liability

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BB&T Code of Ethics

BB&T Human Systems Policy Manual

SECTION: Personal Conduct	**DATE: 01/01/96**
SUBJECT: Code of Ethics	**PAGE: 807:1**

BB&T CODE OF ETHICS

I. STATEMENT OF GUIDING PRINCIPLES

The ultimate success of BB&T is the result of many factors – the vision and strength of our Board of Directors and senior management team; the dedication and expertise of our employees; the quality of service provided to our clients; and, perhaps most importantly, the degree to which each of us live and work every day by adhering to BB&T's corporate values. These values are Character (Honesty and Integrity), Judgment (Reality, Reason and Independent Thinking), Success (Productivity, Teamwork/Mutual Supportiveness, and Justice), and Happiness (Self-Esteem and Pride).

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Transparency

- Commissions/Contingencies
- Realistic Exposure Data
- Broker "Quotes"

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Ethics and Enterprise Risk Management

- Incorporating Ethics and Compliance can help transform ERM from a ***regulatory*** process into a ***strategic*** process
- The ***"risk appetite"*** of different organizations varies widely according to the culture
- ***Leadership and culture*** can both reduce and exacerbate risk
- ERM needs to respond to the organization's ***culture,*** and it can also change that culture

Ethics Resource Center

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Risk Management Aptitude Test

- Complete the following pattern:

O T T F ____ ____ ____

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Risk Management Aptitude Test

- Complete the following pattern:

O T T F F S S

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What do you call a Customer?

- Client
- Insured
- Policyholder
- Customer

What is the connotation of each of these terms?

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What are some of the traits a client is seeking?

- Proactive versus Reactive
- Accessibility/Availability
- Extension of Client's Staff
- Knowledge/Expertise
- "On top of it" Service

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A Thought . . . .

It takes months to develop a customer –

and only seconds to lose one.

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Ethics Decision Making Process

- Six Steps to Ethical Decision Making
  1. Define the problem
  2. Identify alternatives
  3. Evaluate the alternatives
  4. Make the decision
  5. Implement the decision
  6. Evaluate the decision

Does this look familiar?

Ethics Resource Center (www.ethics.org)

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Ethics Filters

- PLUS Model for Ethical Decision Making
  - P = Policies
    - Is it consistent with my organization's policies, procedures and guidelines?
  - L = Legal
    - Is it acceptable under the applicable laws and regulations?
  - U = Universal
    - Does it conform to the universal principles/values my organization has adopted?
  - S = Self
    - Does it satisfy my personal definition of right, good and fair?

Ethics Resource Center (www.ethics.org)

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6 Secrets to Building Connections

1. Build Authentic Personal Connections
2. WIFM: Find Out What is Most Important to Them
3. Be of Service
4. Become a valuable connection (Netweaving)
5. People Love to Talk About Themselves
6. Become Great at Follow-Up

(c) Illustra, LLC

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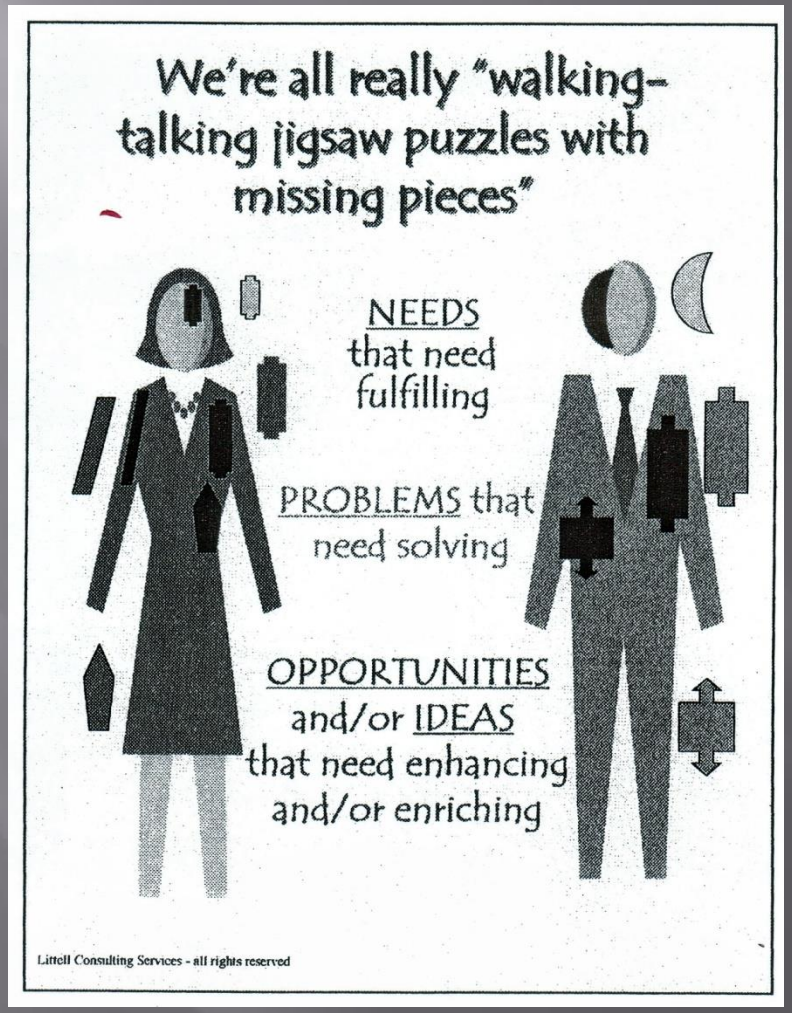
Building Connections through NetWeaving



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Listening Skills

- Did you hear what your client said?
- Are you an expert? – Your client thinks you are
- Difference in Hearing and Listening
- Client Personality - Conform

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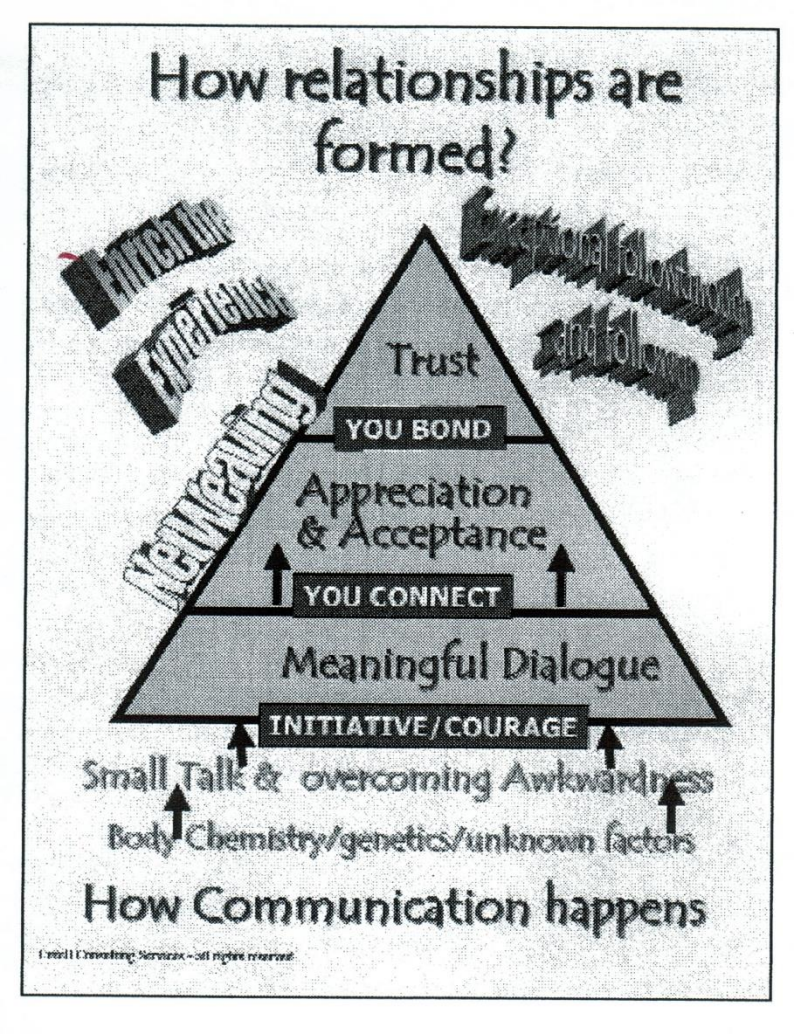
Listening Skills



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A Thought . . .

Satisfaction is exceeding one's expectations

- Tom Peters In Search of Excellence

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Client Communications

- Renewal Process
  - Email
  - Phone
  - Snail Mail
  - Automatic Renewal
- Insurer Communications

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Client Communications

- E-Mail Etiquette
  - Do you use proper punctuation and capitalization?
  - Do you refer to people by name?
  - Do you personally sign, or just have a pre-set name/title/contact information?
- Social Media
  - Seems to be taking over!
    - Facebook
    - Twitter
    - Linked-In
    - My Space
    - Instagram
    - Google +

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Client Communications

- Exposure Review
  - How Often?
  - Checklist versus Discussion?
  - Process?
- Proposal/Renewal Delivery
  - Mail
  - E-Mail
  - In-Person

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Client Communications

- Claims Involvement
  - Direct to Insurer reporting
  - Reporting through Broker
  - Broker Expertise
  - Insured/Broker/Insurer Claims Reviews
- Use of Technology

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3 Reasons Most Presentations Fail

- Presenting Too Much Information
  - Limit your presentation to three key relevant "value propositions" that are unique to your solution and important to this buyer
  - Highlight the unique value your solution and company alone can offer
  - Make your unique value come alive in their world using tangible, concrete, simple and visual examples

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3 Reasons Most Presentations Fail

- Presenting From the Wrong Point of View
  - Present from the Customer's point of view, so they can imagine how your solution will benefit their business, financial, or personal life
  - Build your agenda around your customer's needs, pains, and desires, and how your solution will work to change their world – for the better
  - Ask for the customer's feedback whenever you notice that you've piqued their interest

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3 Reasons Most Presentations Fail

- Not Explaining Why You're Different
  - Have a simple (i.e. one sentence) message that encapsulates what you do better than anyone else
  - Know three to five problems or challenges you KNOW your solution will uniquely solve
  - Use customer stories that highlight the before and after contrast as proof that your solution works.

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A Thought . . .

The Difference in Ordinary

and Extraordinary

is that little bit

Extra

- Language Arts Classroom at Yeshiva Atlanta

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Social Media Policies

BB&T CORPORATE INFORMATION SECURITY

BB&T Corporate Information Security

"Protecting Client & Shareholder Trust"

Information Security Guideline

Subject:
Guidelines for BB&T Associates Responsible Use of Social Media, Version 3

Date of Report: August 14, 2012

Distribution: BB&T

Issued by: Corporate Information Security

Approved: *Ken Kilby, 9/14/2012*

Purpose

BB&T recognizes that associates' use of Social Media at home, or while using mobile devices, or for approved business use while at work provides opportunities to participate in interactive discussions and to share information. These guidelines provide BB&T associates with common-sense advice and recommendations for using Social Media responsibly and safely, in the best interests of you and BB&T. These guidelines are intended to supplement the BB&T Code of Ethics, "What is BB&T's Client Service Culture" section of the EXCELLENCE Employee Handbook, and applicable BB&T Information Security policies and standards.

In the event of a conflict between this guideline and Information Security policies or standards, the policies and standards will govern. Contact Information Security if you have questions or need advice on Social Media usage.

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Social Media Policies

BB&T

Information Security Standards

Social Media Security Standard, version 2.1 IS-307.2.1

Background /or Overview Section

The purpose of the Social Media Security Standard is to provide controls for the participation in Social Media including BB&T-Hosted, BB&T Sponsored, or Personal Social Media sites - in which the associate's BB&T affiliation is known, identified, or presumed. Social Media includes items such as Blogs, Podcasts, Wiki, discussion forums, and social networks such as Facebook, MySpace, and Twitter.

For general guidance on use and responsibility of Social Media, please refer to the Guidelines for Employee Responsible Use of Social Media.

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Social Media Policies

- BB&T Policies
  - BB&T Hosted
  - BB&T Sponsored
  - Personal
- BB&T Information Security Guidelines
  - Supplement to the BB&T Code of Ethics

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Client Business Development

- Not only Cross Selling
- Cultivate Relationships
- Develop your Client's Business

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Summary

The most important message to take away from this seminar is:

You are a Trusted Advisor to your clients and prospective clients. Treat them as more than mere clients – they are, perhaps, your most valuable asset!

Who Is Strategic Risk Advisors?

- Formed in 2009
- Primary focus includes:
  - Insurance Management
  - Claims Management
  - Employee Benefits & Retirement
  - Workers Compensation
  - Special Projects

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Select Clients include:

Preparis

PORTMAN HOLDINGS

Lucror Resouces

A Closing Thought . . .

If we always do

What we have always done,

We will always get

What we always got.

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Contact Information

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