

process  
improvement

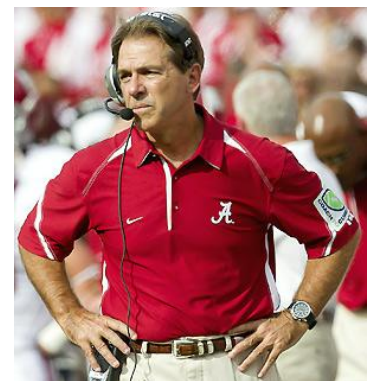
## The Power of Process

By: F. Scott Addis, CPCU, CRA, CBWA

**The Process.** These two words represent the core of Nick Saban's coaching philosophy at the University of Alabama. Arguably the greatest college football coach to ever live, The Process has been the guiding force in enabling Saban to win five national college football titles.

So, what is The Process and how does it relate to you and your business? The Process represents Saban's building blocks of creating a champion. It is the obsessive attention to detail, commitment to making daily progress and a we-before-me mindset.

It is a principle that emphasizes preparation and hard work over consideration of outcomes or results. In simplistic terms, it is process management for running a sports program that requires each player to buy into a series of behaviors. Sound familiar and appropriate for your firm?



Saban formulated "process thinking" as pertains to football with the help of psychiatry professor Lionel Rosen while Saban was the head coach of Michigan State. In the fall of 1998, Saban was desperate. It was his fourth season with the Spartans and Michigan State was 4-4 and slated to travel to Columbus, OH to play undefeated Ohio State, the number 1 ranked team in the nation.

With guidance from Professor Rosen, Saban opted for a radical change in the way he prepared his players for the game. He told his team not to worry about winning the game. Rather, he instructed them to treat each play independently... to focus solely on what needed to be done to maximize their potential on each snap of the ball. And, as soon as a play was over, he mandated that it was wiped from memory. Saban was creating a mindset of perfecting performance play by play as part of a process. The outcome of the game took a back seat to the execution of the task. A 24-point underdog, Michigan State upset the Buckeyes 28-24. The Process was born.

"The Process is really about what you have to do day in and day out to be successful," states Saban. "We don't talk about what we're going to accomplish, we focus on how we are going to do it." Focus on process and execution and the wins will come.

### **Process and Process Improvement**

Process is best defined as the sequence of interdependent and linked procedures... a series of actions or steps taken to achieve a particular end. An effective process produces the right results consistently. Process improvement, on the other hand, is the proactive task of identifying, analyzing and improving upon existing business processes within an organization. Its goal is to close performance gaps to stimulate growth, profitability and shareholder value. Much like Nick Saban and the Alabama Crimson Tide, it is imperative that you have processes for mission critical areas within your agency. And, within each process there must be a series of steps that are understood, practiced and executed by members of your team. You will gain clarity and confidence as you identify, map, model and execute processes.

Tom Motamed, the recently retired chairman and CEO of CNA Financial states, "agency leaders must appreciate the importance of process improvement, especially as it relates to culture and brand." As you embark upon process improvement initiatives, ask yourself the following three questions:



1. Are the processes clearly defined, understood and aligned with my objectives?
2. Is there ownership and performance accountability for each process?
3. Are the processes streamlined, consistent and standard?

### **Six Key Processes Within the Beyond Insurance Model**

Beyond Insurance is a coaching and consulting firm that drives top-line growth of insurance organizations through a systematic process of differentiation, innovation and transformation. I will now share with you six key processes within the Beyond Insurance model.

### Process #1 – Customer Loyalty Benchmarking

In today's challenging marketplace, it is essential that you develop the capacity to define, measure, and manage customer loyalty. The "loyalty effect" is created when your customer becomes an advocate and evangelist of your offerings. Loyalty is the key to profitable growth. Research substantiates that there is a 25 to 100 percent increase in profits from just a 5% increase in customer retention. Firms with the highest customer loyalty typically grow at more than double the rate of competitors.

Beyond Insurance has developed a step by step process to enable you to gauge how customers feel about your customer experience journey. Your ability to benchmark customer loyalty translates into organic growth indicators including, but not limited to, retention, cross-sell opportunities, and referrals.

### Process #2 – Cross-Sell

Cross-selling is one of the easiest and most effective means of marketing. It is a key component of growth, profitability and agency value as it increases customer retention and decreases the likelihood of switching to a competitor.

While the majority of steps in the Beyond Insurance process involves exposure identification encompassed in a client-focused "discovery process," the stewardship review has proven to be the most opportune time to cross-sell. Beyond Insurance recommends that the stewardship review is conducted at the six-month point of the renewal process and is focused on deepening customer relationships.

### Process #3 – Stakeholder Intimacy and Relationship Management

The Beyond Insurance formula also includes a process to deepen relationships and enhance intimacy with key stakeholders – clients, carriers, staff, centers of influence, prospects and your community. The process responds to the following five questions:

1. Why is this category of stakeholder so important to my agency?
2. What is the stakeholder's primary need?
3. What is my agency doing now to deepen relationships and enhance intimacy with the stakeholder?
4. What additional strategies may be employed?
5. What will be the outcome?

Relationships just don't happen. They evolve over time. And, quality relationships are rooted in rich soil consisting of a blend of mutual trust, respect and shared values. When fully grown, relationships produce bonds and connections that enhance both parties' opportunity to succeed.

Research indicates that 88% of executives view the strength of client relationships as the primary reason revenue goals are achieved.

#### **Process #4: Consultative Sales**

Much like a physician, an insurance agent must consult and diagnose the risks facing its prospect or client before treating with insurance products. Consult is best defined as “exchanging views, ideas, or information in a discussion.” To diagnose infers ascertaining the cause or nature of the disorder from the symptoms. As a doctor cannot properly treat the patient without first consulting and diagnosing, it is no different in the world of insurance and risk management.

In *The Challenger Sale*, Matthew Dixon and Brent Adamson convey that “surveys of customers consistently show that they put the highest value on salespeople who make them think, who bring new ideas, who find creative and innovative ways to help the customer’s business. In recent years, customers have been expecting more depth and expertise. They expect salespeople to teach them things they did not know.”

Beyond Insurance recently unveiled the Intelligence Quotient for Risk Management (IQRM) – a quantifiable risk assessment tool consisting of a systematic process to better understand the risk issues facing an organization. It also benchmarks performance against ideal industry standards and facilitates the design of risk control and mitigation strategies.

#### **Process #5: Prospect Research and Qualification**

A strategic prospecting system starts by having a clear picture of your ideal prospect supported by a strategy map to determine:

- The industry and product knowledge you must gain
- Where to spend your time and energy
- People who are willing to connect you to the ideal prospect
- Products, services, and resources needed

It is best supported by a compelling value proposition, risk assessment process, phone and first interview scripts, social media strategy, and a pipeline management plan. The Beyond Insurance model empowers agency leaders and producers to design and build a prospect pipeline process that includes a referral network of enthusiastic clients, centers of influence, and carrier representatives who are primed to assist.

Last but not least, your prospecting system must include metrics to keep activities on track.

## Process #6 – Brand and Brand Management

A brand takes the form of a name, design, style, symbol, process, and behavior of people used singularly or in combination that distinguishes one from another in the eye of the customer. While there are many ways to create a strategic personality for an agency, Beyond Insurance suggests that you feature a risk assessment process supported by a trademarked name.

The process of brand and brand management includes developing a promise, making the promise tangible, and maintaining it. It also involves the analysis and plans on how the brand will be perceived in the market.

Your agency's brand is also viewed through the values, behaviors, beliefs, attitudes, and underlying assumptions shared by you and your team. It is the outcome of a set of rules for working together and is so powerful that it shapes your work environment, business relationships, and ultimately, how your customers view you. Beyond Insurance uses an eight-step process to define employee behaviors (fundamentals) that drive success and establish rituals that impact brand.

Your process improvement efforts will have a profound impact on your life. "The scoreboard has nothing to do with the process. Each possession, you look across at the opponent and commit yourself to dominate that that person. It you can do this...if you can focus on the one possession and wipe out distractions...then you will be satisfied with the result. There are two pains in life. There is the pain of discipline and the pain of disappointment. If you can handle the pain of discipline, then you'll never have to deal with the pain of disappointment," says Saban.

The power of process!

### About the Author

Scott Addis, CPCU, CRA, CBWA is the CEO of Beyond Insurance and is recognized as an industry leader having been named a Philadelphia finalist for *Inc. Magazine's* "Entrepreneur of the Year" award as well as one of the "25 Most Innovative Agents in America." Beyond Insurance is a consulting firm that offers leadership training, cultural transformation, and talent and tactical development for enlightened professionals who are looking to take their practice to the next level. Since 2007, the proven and repeatable processes of Beyond Insurance have transformed individuals and organizations as measured by enhanced organic growth, productivity, profitability, and value in the marketplace.